

EXTENSIONS OF REMARKS

IRS ABUSES—A CHILLING EFFECT

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. HANSEN. Mr. Speaker, the tax collector can be a worthy servant of the people who provides the funds for operation of the necessary services of government or he can be a feared and despised creature of costly and burdensome bureaucracy and tyranny.

This is particularly so at the Federal level in the case of the Internal Revenue Service. Reprisal and intimidation by this agency can have a chilling effect on our first amendment guarantee of "freedom of speech" and "the right . . . peaceably to assemble, and to petition the Government for a redress of grievances."

My letter of December 13, 1977, to Mr. Jerome Kurtz, Commissioner of Internal Revenue, spells out a very real problem in this regard which no Member of Congress or any American citizen can afford to ignore.

The letter follows:

DEAR MR. KURTZ: As a Member of Congress representing Southern and Eastern Idaho, I am deeply concerned for the welfare of the citizens of my district who were victims of the 1976 collapse of the Teton Dam.

Thousands of people in the Upper Snake River Valley were violently thrown out of their homes causing death and injury to many and hundreds of millions of dollars worth of damage to homes, farms, businesses, and other property. Total communities were destroyed.

These people were driven from their homes, farms, and businesses by government irresponsibility, the failure of the Bureau of Reclamation to perform to its usual high standards. The Congress and the President rose to the occasion by assuming necessary responsibility and quickly allocating federal resources and a four hundred million dollar fund to help rehabilitate and fully reimburse the victims.

The victims themselves assisted by an amazing display of effectively organized volunteers drawing heavily from surrounding counties and states, and even coming from distant areas, created a miracle in terms of recovery time and reduced losses for government reimbursement. Millions of hours of volunteer assistance organized by churches and other private sources coupled with local, state and federal government resources have in some eighteen months restored the area to near normalcy.

But it isn't the same. People died. Family treasures, priceless and irreplaceable, are gone forever. Lives and living patterns were disrupted and can never really be restored. Glittering new stores, homes and equipment often replaced the old which seems more than fair on the surface, but does it really compensate for months of despair and disruption and for loss of income and the efficiency of normal conditions? Many people cannot even return to pre-flood businesses and circumstances because the shortages of housing and labor cause disproportionate rent, salaries and other cost factors.

The point I make is that the communities affected by the Teton flood and all the sur-

rounding area are unique, especially so for tax purposes. It will take special handling to assure fairness and prevent the subversion of the will of Congress in fully restoring the people to pre-flood circumstances.

Since I was given early reason to believe by Internal Revenue Service action that the flood victims were going to have difficulty with IRS tax policies, I introduced legislation to provide necessary relief. This was done in the year of the flood, 1976, and again at the beginning of this term of Congress in January, 1977. The Bill, HR 382, has been referred to the House Ways and Means Committee and is looked on as a probable necessity depending on ongoing practices by IRS in handling the returns of those economically affected directly and indirectly by the flood.

To establish whether the IRS can accommodate by attitude and by regulation to the circumstances of the people in the Upper Snake River Valley of Idaho without additional or special legislation, I have conducted a year-long investigation and study which I feel have established rather conclusive results pending only your input which I now invite.

To be perfectly candid, I am shocked at my findings and believe you could not react much differently based on the evidence. I realize you are relatively new to your position so I present the following for your information as well as in hopes that corrective action will be taken where necessary to end abuses and give assurances that IRS will confine itself to its role as a tax collecting agency.

I am deeply concerned that we have no sooner gotten people back on the farm and in their homes and businesses after the failure of a Bureau of Reclamation project only to face having many of them pushed out again by the Internal Revenue Service. Only this time it may be intentional and a subversion of Congressional intent if there is wholesale assessment of such things as capital gains taxes against reimbursements paid by the Bureau of Reclamation.

What makes me believe this will happen? First, the IRS attitude about household furnishings reimbursements which was only resolved after considerable pressure; second, the latitude of IRS auditors to allow and disallow particularly in such unusual circumstances; and third, the recent history of IRS activity in the Western Region of the United States and Eastern Idaho in particular.

It is the third area I especially view with alarm, an area which also profoundly affects points one and two.

I find the IRS has an abominable record over the past four or five years of assault against the people living in the Teton Dam Flood area and seething turmoil within its own ranks over policies, procedures, and personnel.

Provable policies of gross discrimination against IRS employees are rampant and ongoing, and a scandalous violation of taxpayers' civil rights continues on broad scale.

1. Why is the IRS making such a strong effort to purge Mormon agents from key Eastern Idaho audit positions particularly in the Idaho Falls area?

2. Why is the IRS so concerned about getting tough with Mormon Church officials that they would send in a roving office auditor from another state for special target audits in contravention of general IRS procedures.

3. Why would an IRS "violence list" be periodically circulated containing the names of Idaho citizens having no record of violence?

4. Why would IRS agents go to conservative meetings to make lists of license plate numbers which were then expanded to watch

lists of names, addresses, business addresses and positions in the Mormon Church—and why were no liberal groups similarly monitored, if extremists were the target?

5. Why would IRS agents anonymously contact individuals who politically complained of high taxes in letters to the Editor and place them under automatic investigation? The right of free speech seems to have its liabilities.

6. Why would IRS agents maintain a full-scale clipping file from the newspapers on taxpayers regarding vacation trips and other activities? I'm not sure the taxpayers realize the extent to which individual privacy has been invaded by big government.

7. Why should IRS prosecute waitresses so diligently in Eastern Idaho with allegations of big income from tips when it is well-known that the payscale in the area is much below the national norm?

8. Why should IRS have planned an armed door-to-door search by some 30-40 agents in communities north of Idaho Falls to demand the showing of tax returns, an operation finally halted at the Washington level when collection officers complained that someone might be hurt or killed?

The story, as I understand it, is partially one of near paranoia and over-reaction to a handful of so-called tax protestors in the Upper Snake River Valley which coincidentally has a large percentage of Mormons. IRS management at the local, State, and Regional levels have given continual indication that they don't trust Mormon agents to audit Mormon Church officials despite frequent pronouncements by the Church that people should be law abiding and pay their taxes.

This suspicion by IRS officials has apparently prompted a policy of obvious discrimination in promotion and assignment of agents in numerous places throughout the West and especially in East Idaho. This can be readily documented in a number of cases where complaints of discrimination were filed and IRS was forced to clean up its act.

Since this employee juggling program ran into difficulty and IRS couldn't get locally oriented agents out of East Idaho and the Upper Snake River area fast enough, they resorted to compensating measures such as the roving auditor program, the pavlovian reactions to political gatherings and letters to the editor, and the planned armed search.

There was hope that a recent change of State IRS Directors might alter the situation, but the harassment and shuffling of employees goes on with indications of reprisal action and unusually high numbers of transfers. The only change appears to be in the objective, but this is very significant. The tax protestors, who were never more than small potatoes, are now taking a back seat to the fertile possibilities of auditing for Capital gains among thousands of flood victims with a four-hundred million dollar reimbursement. For this, it appears IRS is still trying to move out those agents who know the most about the people and their situations and who could and would do the fairest job, and bring in non-local auditors. The continued instances of discrimination, harassment and reprisal against employees would suggest that the taxpayers are in for a rough time.

This I hope is not the case and nothing could please me more than to receive your assurance of this. The flood victims are being paid very carefully for their losses, and for IRS to collect taxes from these reimbursements subverts the intent of the relief legislation and could work a real hardship on many people.

I will not stand by and allow the Teton area people to be further victimized. If IRS

plans any kind of tax auditing action to reduce the reimbursements granted by the Bureau of Reclamation, I will seek immediate passage of my bill and any other appropriate legislation to obtain the necessary relief and fair treatment.

Certainly there can be no more social and political monitoring of news releases on citizens, no more discriminations against employees to get at certain taxpayers, no more unusual procedures such as roving office auditors to target certain taxpayers, no more license plate games and religious watch lists, no more "violence lists" containing non-violent people whose greatest sin might be an unkind word for IRS, no more possibilities of a random armed search of taxpayers' homes.

Such projects and programs do not enhance people's confidence in government and can only be harmful to the effectiveness of IRS. In fact, the special harassment of some 40 waitresses in the Idaho Falls area has put you in a position where there is no faith in IRS and citizens are being forced into tax protest roles. I'd hate to think that IRS would deliberately set out to create problems to frustrate taxpayers to harsh action so that some bureaucrat can ride to glory by putting down an uprising.

If this indeed can happen, then a massive mishandling of thousands of cases in the Teton flood reimbursement situation by IRS could result in a terrible confrontation.

I don't want a confrontation, and neither do the people in Eastern Idaho, but their independent nature will not tolerate oppressive government and this must be understood right now as we go into the first full tax year after the flood occurred.

It is important for IRS to assure the people of Idaho and the nation that there will be an immediate end to employee discrimination and civil rights abuses against the taxpayer. It is important also that a declaration of IRS intent be had regarding the unique situation involving the Teton Disaster reimbursements.

The power of the arbitrary audit, the possibilities of intimidation over filing details and judgment factors, and the required waiver of Fifth Amendment Rights make IRS, if used wrongfully, the most dangerous threat of destructive cancer to our system of self-government and our individual rights and freedom. IRS must be totally objective, color-blind, non-political, and religiously and philosophically neutral. The virtual impossibility of your task makes your challenge great and the consequences of your failure a "hell" for the victims.

I am alarmed that too many have already been irreparably harmed by IRS abuses, both employees and taxpayers. I am concerned that confidence in government has eroded to such dangerous proportions. I am hopeful that you can give assurances that strong corrective steps are being taken and that you will make proper recommendations to me and my colleagues in Congress as to what legislation is necessary to get the nation's tax collection system out of the gutter and on to the high road.

Sincerely,

GEORGE HANSEN,
Member of Congress.

CONSTRUCTION OF A NEW 261- ACRE STEAM TURBINE ELECTRIC GENERATOR MANUFACTURING SITE

HON. ANDY IRELAND

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. IRELAND. Mr. Speaker, last week, the Allis-Chalmers Corp. and two West

German companies, Siemens A.G. and Kraftwerk Union A.G., announced that they had selected Palmetto, Fla. as the location for the construction of a new 261-acre steam turbine electric generator manufacturing site.

The facility, which is scheduled for completion in the early 1980's, is expected to create more than 1,000 new jobs and involves an initial capital investment of more than \$100 million.

I want to take this opportunity, Mr. Speaker, to say how delighted all of us in Florida are that Allis-Chalmers and their German partners decided to locate in our State, and specifically, how happy we in the Eighth Congressional District are that they have chosen the Palmetto-Bradenton-Sarasota area.

We welcome them enthusiastically, and look forward to a long and mutually beneficial relationship.

Finally, Mr. Speaker, I want to offer my congratulations to the many civic, business, and political leaders in the area who worked so hard to bring Allis-Chalmers and Siemens to our community. It was a pleasure for me to be associated with these men and women. Their achievement is a fine example of how a community working in concert can become a partner with industry for the benefit of both.

Thank you Mr. Speaker.

STANLEY CARTER PACE, NEPHEW OF TIM LEE CARTER

HON. SAMUEL L. DEVINE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. DEVINE. Mr. Speaker, it was very pleasing to note that the nephew of our colleague TIM LEE CARTER has been promoted to president and chief operating officer of TRW, Inc. (The Ramo-Wooldridge Corp.).

Stanley Carter Pace's election to that post was effective December 1.

TRW is a corporation which has many plants throughout the United States and foreign countries and manufactures automotive and aeronautical parts. It also does much work for the Defense Department.

Mr. Pace graduated from West Point Military Academy in 1941 and was commissioned in the Army Air Corps.

In August of 1944, while piloting a B-24, he was shot down over Friederichshaven and was taken a prisoner of war until released by the Russian forces.

He was a full colonel in the Air Force by age 31, but chose to leave the service and join TRW at that age.

I include for the RECORD an article from the Wall Street Journal:

WHO'S NEWS—TRW NAMES METTLER, PACE TO TOP POSTS, AND THEY OUTLINE NEW AREAS OF EMPHASIS

(By Bernard Wysocki, Jr.)

CLEVELAND.—TRW Inc. realigned its top management along the lines proposed in mid-1976.

Ruben F. Mettler, 53-year-old president and chief operating officer, was elected chair-

man and chief executive officer of this automotive, electronics and aerospace concern, effective Dec. 1. Mr. Mettler will succeed Horace A. Shepard, 64, who will remain a director and a member of the four-man executive committee.

Directors elected Stanley C. Pace, 56, currently executive vice president and assistant president, to succeed Mr. Mettler as president and chief operating officer.

Officials said Simon Ramo, 64, will continue as vice chairman until his retirement in May, when he will be succeeded by J. Sidney Webb, 57, currently executive vice president in charge of electronics operations.

In addition, Alastair F. Down, chairman and chief executive officer of Burmah Oil Co., was elected a director, filling the vacancy created by the retirement of John D. Wright, retired chairman.

CHANGE IN STYLE, EMPHASIS

In a wide-ranging interview, Messrs. Mettler and Pace said their succession to the top posts at TRW will usher in some changes of style and emphasis. Some changes will reflect their personalities, while others will stem from altered economic and business conditions.

For example, Mr. Mettler is a cordial man who likes to talk, and he expects to spend more time than his predecessor speaking before governmental committees, financial analyst groups, fellow businessmen and community gatherings. "I have given a lot of speeches in my lifetime," Mr. Mettler says, "I like to speak and do a lot of it."

Mr. Mettler also plans to lay heavier emphasis on TRW's overseas operations. "I plan to spend more time on international than has been (Mr. Shepard's) practice," he says.

One reason is that TRW's overseas business has grown very quickly in the past few years. International sales in 1976 were about \$1 billion, or 34 percent of overall sales, up from \$453 million, or 27 percent, in 1972. Moreover, Mr. Mettler says, the international business "has gotten greatly more complicated. . . . That's where I think my time is needed."

DIFFERING NEEDS BY AREA

In Europe, the executive says, the company has the "machinery" in place for gathering information on currencies, trade policies, political trends and economic forecasts. In South America and Asia, however, that isn't really the case. "The machinery will be gradually augmented," Mr. Mettler says, "and we want to spend more time on the information that is going to become more available to us."

Mr. Pace is inheriting the chief operating officer's job at a time when it, too, calls for a change in emphasis. During the past few years, the company has concentrated on reducing its debt-equity ratio and on boosting its return on assets employed. But as those measures are taking hold and the company's earnings statement, and balance sheets are in better shape, Mr. Pace sees his job as keeping these things in shape while increasing TRW's emphasis on growth.

Indeed, the executives say, the purpose of improving the "quality of earnings" and the balance sheet was to generate the money to spend on high-growth, high-return parts of the business.

"We aren't going from A to Z," Mr. Pace says, meaning the company isn't about to embark on a dizzy growth spree. "We're talking about going from M to O." Still, in the future, "we will have available additional funds that we can allocate to sales programs, research and development, plant start-ups, product start-ups, even perhaps joint ventures or acquisitions."

When Mr. Webb becomes vice chairman of TRW next year, he will continue to concentrate on electronics operations and also focus on the "entrepreneurial program related to the electronics and high-technology business on the West Coast," Mr. Mettler said.

DIFFERENT ROLES

Although Mr. Webb will be based on the West Coast and carry the title of vice chairman, just as Mr. Ramo does, their roles in the corporation will be very different. Unlike Mr. Ramo, "Sid Webb isn't highly technical," Mr. Mettler said. His focus is on marketing, which the company wants to emphasize in the electronics and high-technology areas. "We have found that technology push isn't so effective as market pull" in increasing sales, Mr. Mettler said.

Mr. Ramo, the current vice chairman, is responsible for long-range planning and the technical side of governmental relations, among other things. He is also chairman of the executive committee. Mr. Mettler says he plans to chair the executive committee after Mr. Ramo retires, and he will take much of the long-range planning and technical governmental detail under his wing, too. Unlike Mr. Webb and like Mr. Ramo, the new chief executive officer has a highly technical background.

Mr. Ramo earned a Ph.D. from the California Institute of Technology at 23, and gained prominence as an expert in microwaves and guided missiles before he founded Ramo-Woodbridge Corp. in 1953. It merged into Thompson Products Inc. in 1958, and the combined operation was renamed TRW.

Mr. Mettler earned a Ph.D. at Cal. Tech in electrical and aeronautical engineering, and joined Ramo-Woodbridge in 1955. He had responsibility for several ballistic-missile and scientific-satellite programs before taking a series of executive posts with the merged company.

Mr. Pace graduated from the U.S. Military Academy and earned an M.S. in aeronautical engineering from Cal Tech. A combat pilot during World War II, he worked for the Air Force Air Materiel Command before joining TRW in 1954. He managed the jet division, later headed the equipment group and in 1971 was named head of the automotive world-wide operation.

THE HONORABLE WILLIAM S.
GAUD, JR.

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. ZABLOCKI. Mr. Speaker, it was with great sadness that I learned of the recent death of the Honorable William S. Gaud, Jr.

Before coming to Washington, Bill Gaud distinguished himself in municipal government as a counsel to former New York Mayor La Guardia and as an officer in the U.S. Army during World War II when he was responsible for directing the military lend-lease assistance program.

First, as Assistant Administrator for the Agency for International Development's Bureau for the Near East and South Asia and then, as the Administrator of the entire Agency from 1966 to 1969, Bill Gaud was primarily responsible for marshaling U.S. support for the "green revolution," a program which, by making miracle grains and efficient agricultural techniques available to poor farmers around the world, has been a significant factor in the battle against hunger and malnutrition in the developing countries.

Those of us who served on the Committee on International Relations during Bill Gaud's tenure at AID fondly

remember him for his high intelligence, dedication, candor, and good humor.

In losing Bill Gaud, America has lost an outstanding citizen and a great public servant.

I extend my deepest sympathy and condolences to his wife, Eleanor, and his family.

PROF. ARTHUR LAFFER ON THE INTERNATIONAL MONETARY OUTLOOK

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. KEMP. Mr. Speaker, in recent weeks there has been much talk about the growing balance of trade deficit of the United States and the resulting decline in the value of the dollar. Unfortunately, the administration's policy of ignoring the problem in hopes that it will go away has done little to alleviate the fundamental problem, which is the loose monetary and spending policies of the U.S. Government, combined with restrictive taxation and regulatory policies which reduce economic growth.

Prof. Arthur Laffer of the University of Southern California has analyzed this situation very carefully and concluded that the inflationary policies being followed in the United States, both domestically and internationally, cannot be continued to be followed without risking a monetary collapse and an international recession.

The article follows:

THE INTERNATIONAL MONETARY OUTLOOK
(By Prof. Arthur Laffer)

The immediate prospects for the international monetary system are far from encouraging. Nevertheless, while the policy thrust of the past decade is still continuing, a number of signs point to radical change. This change, to the extent it can be forecast, is in the direction of sound money and exchange-rate certainty. The dimly perceived realities of international economics are again being absorbed into the body politic and are beginning to influence policy decisions.

Prior to about 1968, the smooth operation of the Bretton Woods system did not provide as many examples as were needed to remind the current generation of international experts of the deleterious effects of volatile rates. Save for a few, only a number of elderly economists and those experienced in Latin American inflationary economies were keenly aware of these effects. By the end of the 1960s, this paucity of experience was manifest in a virtual unanimity of economic opinion supporting floating exchange rates and the demonetization of gold.

NEW EVIDENCE

Starting with the March 1968 agreement to demonetize gold, and on through 1977's collapse of the dollar vis-a-vis the mark, yen, Swiss franc, and pound sterling, a fresh body of evidence has emerged. Although these same lessons have repeatedly been learned in the past, recent events have provided firsthand experience to motivate this generation's move to a more rational international monetary system.

The historic tradition of weighing the international implications of domestic economic policies has been virtually non-existent in the United States. The massive size of the United States economic base, as well as the unique U.S. financial role in the world

economy up until the late 1960s, could justify this tradition. With the breakup of the Bretton Woods agreement, elimination of the gold convertibility and special reserve currency status of the United States dollar, U.S. policies have played a leading role. These policies, combined with a lack of tradition and experience, have contributed to a sharp deterioration of the international economic environment.

Perhaps the single most important lesson of the past decade is that an unhinged monetary system results in global inflation. The failure to maintain the convertibility of currencies generates a rapid expansion of private monies such as eurodollars and weakens the discipline on individual countries' monetary authorities. The result is a marked increase in inflation everywhere. Those countries that demonstrate the least discipline tend to experience the greatest inflation. Devaluations *ipso facto* reflect a relative lack of discipline on the part of the devaluing country's monetary authority. Devaluation, of one currency, vis-a-vis others produces inflation vis-a-vis those other currencies' inflation rates. The table below provides rough documentation of this phenomenon for average trends during the twentieth century:

	1900 to 1972 (percent)		
	Average annual price level change ²		Relative to United States
	Average annual currency change ¹	Actual	
German mark	+0.4	1.7	-0.3
Canadian dollar	+0	2.1	+1
British pound	-9	2.8	+7.8
French franc	-6.6	8.6	+15.2
Italian lira	-6.8	8.7	+15.5
Japanese yen	-7.2	9.8	+17.0

¹ Relative to the U.S. dollar.

² Wholesale price indexes.

Source of data: Moon H. Lee, "Purchasing Power Parity," Ph. D. dissertation, University of Chicago, July 1975, pp. 104-113.

Recent currency and price index trends continue to track this same relationship.

Interacting with modern progressive tax structures, high rates of inflation result in subnormal real growth. As price levels rise, the disincentive effects of higher marginal tax rates at each level of real income cause labor and capital to move into non-market activities or leisure. Unemployment rates rise, capital accumulation diminishes, and real income growth is retarded. Such policies as wage and price controls, legislated minimum wages and excess profits taxes exacerbate the deterioration, because they all induce still greater production disincentives. Virtually every country in the free world has felt the effects of inflation interacting with a progressive tax structure. Particularly virulent cases are to be found in Mexico, the United Kingdom, and recently, the United States. Governments wise enough to mollify these effects by partially indexing their tax structures include France, Canada and Australia.

The old nostrums have been unable to rectify the malaise. Traditional monetary policy, fiscal policy, and exchange rate policy measures have failed.

MONETARY POLICY

As often as not, what had been deemed a stimulative policy actually resulted in slower growth and more inflation. For example, the loose money policies of the United Kingdom and Italy led, if anything, to currency crises and higher inflation, and thereby to higher tax rates and slower growth. In contrast, the relatively tight monetary policies of Germany and Switzerland spared those countries from the more extreme consequences of inflation. Swiss tax rates have been relatively less progressive than most countries and, up until the last few years, Germany was reducing the progressivity of its highly progressive tax structure. In general, rapid expansion of domestic monetary aggregates has

generally been shown to lead to slower than faster economic growth.

FISCAL POLICY

The results of fiscal stimulative measures in the United States, United Kingdom and France have also fallen far short of expectations. If a government could spend its way out of a recession, the United Kingdom and the United States would have far outpaced Japan. In fact, nothing could be further from the truth. The rapidly expanding government redistribution policies of the last decade have substantially weakened the link between economic effort and reward, and have diminished production and investment incentives. The principal exception to the broad acceptance of ill-conceived fiscal policy actions has been Japan. Since 1950, Japan has cut tax rates almost every single year, and has maintained a tight control over government spending.¹ Continual reductions in disincentives to work and accumulate productive capital through tax rate cuts have contributed to the extraordinary growth of Japan's economy. Germany, too, has cut effective tax rates frequently from 1948 on, largely by raising the income brackets at which the highest rates applied.² Germany's postwar performance likewise attests to the efficacy of incentive-oriented policies.

EXCHANGE RATE POLICY

"Stimulative" policies involving exchange rates have, if it is possible, been even less successful than monetary and fiscal policies. The effects of a devaluation were widely believed to include increased domestic output. Devaluation was supposed to improve the devaluing country's competitive position in the world's goods markets. As a consequence, the devaluing country's exports would increase, and imports would decrease. The trade balance should improve, leading to increased output. Over the past decade, exchange rate policies for domestic objectives have gained an emphasis unparalleled in history.

On logical grounds, devaluations would not be expected to result in either improved trade accounts or in expanded domestic production. The efficiency of world markets dictates that the single predictable consequence of devaluation is a rise in the level of prices in the devaluing country relative to those devalued against. With the proclivity of modern governments to avoid deflation, most of the adjustment appears in the form of sharp price level increases in the devaluing countries. Any conceivable improvement in the devaluing country's competitive position is dissipated by the resultant inflation. The preponderance of the available evidence documents the suggestion that trade balances, measured in real terms, are unaffected by devaluation.³

A mere casual look at the actual events of the postwar period, and notably in the past decade, attests to the facts. If devaluations improved trade balances, the United States, United Kingdom, and Italian trade accounts should be in substantial surplus, while those of Japan and Germany should be in deficit. In fact, the reverse is closer to the truth.⁴ If, however, one compares rates of inflation with exchange rate changes, distinct patterns emerge. As indicated in the table above, there is a close correspondence between a country's rate of depreciation and its relative rate of inflation. Those countries whose currencies depreciate the most have the highest inflation rates, and *vice versa*. When combined with progressive tax structures, devaluation and the resultant inflation means sharply marginal tax rates and therefore lower output growth. If anything, devaluation leads to lower, not higher, domestic output.

THE CURRENT OUTLOOK

Over the past year, U.S. international economic policy has pressured countries to ex-

pand their monetary aggregates, increase government spending, and allow their currencies to appreciate against the dollar. Internally, the Federal Government has so far pursued an expansive monetary policy, as well as increased taxes and spending. The dollar has been deliberately allowed to depreciate. Actual or *de facto* devaluations have occurred in Mexico, Portugal, Spain, Canada, Israel and elsewhere. The weak U.S. recovery and the depressed world economy are predictable consequences of these policies.

Other effects of increased volatility in the foreign exchange markets include:

Higher costs of foreign currency transactions;

Transaction costs rise due to wider bid-ask spreads in the foreign exchange market, as dealers require compensation for the increased risk.

Greater exposure to FASE 8 problems;

Business firms experience larger gains and losses from foreign currency transactions, and suffer greater instability in reported earnings.

Unstable and rising inflation rates;

Weaker than average currencies are associated with higher than average inflation rates. At the same time, exchange rate instabilities produce a general diminution of confidence in currencies, and hence higher inflation, across the board.

Volatile interest rates, and greater divergence in interest rates among countries;

Fluctuating inflationary expectations show up in yields on fixed instruments that vary over time and across currencies.

Lowest growth prospects in those countries with progressive tax structures and weak currencies;

Negative effects on real economic performance are greater the more severe the inflation and the more rapidly tax rates rise with increasing nominal income.

An increased role for gold as a hedge against exchange risk.

Few assets offer a haven against inflation, but a flight from currencies in general implies greater demand for currency substitutes such as gold. To a degree, fluctuations in the price of gold reflect changing perceptions of the future value of paper currencies.

As these effects intensify, and weak currency countries join the futile race to depreciate their currencies further than others, the floating-rates regime may approach what is likely to be its final crisis.

THE LONGER TERM OUTLOOK

Out of all of this, clear signs of fundamental change are becoming visible. Over the past few years, the intensity of political pressure for rapid monetary growth and new government spending programs seems to be waning. In Congress, especially, a new effort to control spending has emerged, and throughout the United States voters have been turning down issue after issue of new borrowing and tax programs.

Attitudes toward exchange rate depreciation are also changing. In the late 60s and early 70s, the U.S. government sought to depreciate the dollar by whatever means possible. This policy led to the devaluations of May 1970, May 1971, August 1971, December 1971 and February 1973, and a number of less direct measures. Over the past year, these pressures, while still present, have encountered increasing criticism and resistance.⁵ In addition, private holdings of gold, long feared and opposed by the monetary authorities, have been legalized for the first time in over forty years. On October 28, President Carter signed a bill that legalized contracts and securities denominated in gold or foreign exchange.

While by no means a panacea, gold convertibility with limited international reserves historically had provided a discipline

on individual countries' monetary authorities. Economic logic and political evidence suggest that the aftermath of a general monetary crisis would be a move toward greater fixity and discipline in exchange rate policies. An EEC monetary union, if successfully accomplished, would contribute enormously to this end by reducing the number of currencies in use. If and when a new world monetary system is explicitly built, it will be one in which those major countries with the strongest currencies and the healthiest economies play a leading role. While the mantle of leadership always fell to the American government in the postwar era, its unsound economic policies during the past decade have largely disqualified the United States for sole leadership in the foreseeable future. The U.S. economy has shrunk relatively as a share of world output, and its growth has been slower than most major countries. The dollar has become a relatively weak currency, and business confidence in the United States has reached a postwar low. It would take many years of confidence-building economic policies and supernormal growth to restore to the United States the world economic position it enjoyed during the era of Bretton Woods.

FOOTNOTES

¹ Tax reductions in Japan are documented in Joseph A. Pechman and Kaimel Kaizuka, *Asia's New Giant: How the Japanese Economy Works*, Washington, D.C.: Brookings Institution, 1976, p. 325.

² See Karl Haueser, "West Germany" in *Foreign Tax Policies and Economic Growth*, Conference Report, National Bureau of Economic Research and Brookings Institution, New York: Columbia University Press, 1966, Table A-3.

³ Arthur B. Laffer, "Exchange Rates, the Terms of Trade, and the Trade Balance", in Peter B. Clark, Dennis E. Logue and Richard J. Sweeney, *The Effects of Exchange Rate Adjustments*, Washington, D.C.: U.S. Treasury Department, 1977, pp. 32-44.

⁴ See R. David Ranson, "The Relationship between Trade Balances and Exchange Rate Changes", H. C. Wainwright & Co. Economic Study, February 16, 1977.

⁵ See, for example, Edward Mervosh, "The Push on the U.S. to Support the Dollar", *Business Week*, November 14, 1977, p. 200.

OSHA—1,100 REGULATIONS DOWN,
9,900 TO GO

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. HANSEN. Mr. Speaker, OSHA's announced crash diet to drop 1,100 regulations still leaves a bloated bureaucratic monstrosity loaded with 9,900 regulations.

The 11,000 arbitrary rules the Occupational Safety and Health Administration has imposed on the workplaces of America clearly indicate the near impossibility for employers to conform and for any inspector to have a comprehensive grasp of his job.

This is why it is so necessary to win the fourth amendment case now before the Supreme Court which would prevent OSHA from making inspections without a warrant properly obtained from a magistrate and based on probable cause.

When an inspection is conducted by authority of such a warrant then very likely there is good reason to investigate, otherwise, why should a person doing a good job of providing safe conditions be harassed merely because he happens to be in business?

The arbitrariness of OSHA is glaringly evident in their pronouncement that they can just not enforce a tenth of their rules pending their official repeal.

The 1,100 regulations being dropped, which deal with such items as split toilet seats, coat hooks, and the specific height to hang a fire extinguisher, only serve to dramatize the extent of stupidity and waste in OSHA and other agencies which constitute an assault and battery on the rights and pocketbooks of citizens both as taxpayers and consumers.

OSHA has not even cut through the first layer of fat with this 10-percent reduction of regulations. They have a long way to go even to be tolerated let alone to be respected and effective.

To keep everything in perspective, just remember that the 10-percent cut will take over 250 pages of a special edition of the Federal Register to explain, and that leaves 2,250 such pages of regulations that the employers and workmen still have to live with.

OSHA Administrator, Eula Bingham, merits a rose for a helpful start, but I will reserve the bouquet for a time when this cut is actually made and the rest of OSHA is reduced in like manner.

ON SOCIAL SECURITY FINANCING

HON. NEWTON I. STEERS, JR.

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. STEERS. Mr. Speaker, I voted today in favor of the conference report to accompany the social security financing amendments. I also supported the bill when it was debated in the House on October 27. I have done so with grave misgivings however, for I feel that the approach which this legislation takes is only piecemeal and does not address the basic fiscal problems of the social security system. The system needs a complete review and much of the underlying philosophy of the social security system, and the methods of financing the system, need to be reassessed and, in my mind, drastically changed. This is not being done.

Because this is not being done, and because I do not want to see the system continue to be on the brink of bankruptcy, I am voting in favor of the bill. However, I am today introducing legislation which will require Members of Congress to contribute fully to the social security system. It is true that Members of Congress presently contribute 8 percent of their entire income to our own pension fund—which is more than we

would contribute now if we were covered by social security. However, I do not think that it is fair for Members of Congress to enact any sort of tax increase—especially one which is as monumental as the one in this bill—without themselves being subject to that tax. I will push for consideration of this bill until it is either enacted into law or a complete, fundamental review of the social security system is undertaken.

AGRICULTURAL TRADE EXPANSION ACT OF 1977 INTRODUCED

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. FINDLEY. Mr. Speaker, in the past few years we have learned how important agricultural exports are to American farmers. To keep our exports strong, we need to build new markets while maintaining the customers that have provided our strong export performance of the past few years. Without food exports, our already bleak balance of payments situation will grow worse.

In recognition of our commitment to a forward-looking and effective export policy, Senator HUMPHREY and I have decided to offer in our respective Houses of Congress a new bill, the Agricultural Trade Expansion Act of 1977. In view of the current depressed state of affairs for American farmers, we believe that Congress should move expeditiously in considering this important legislation.

The bill that I am introducing is not a concessional or giveaway program. It is a bill designed solely to maximize our farm exports on a commercial basis. As such, this bill will not cost the American taxpayer one cent.

This bill would accomplish two important objectives. The first would be to establish an intermediate credit program under the Commodity Credit Corporation. The second objective would be to nullify existing restrictions on the ability of the Commodity Credit Corporation to extend participation of its programs to non-market-economy countries.

The purpose of the intermediate credit program is to provide the CCC the capacity and flexibility to compete with our principal competitors in the world marketplace. Canada, Australia, and Argentina are able to provide longer term credit than is currently available through the CCC. The CCC is able, as you may know, only to provide credit for up to 3 years. This bill would provide the CCC authority to offer terms of up to 10 years.

By writing this provision into law, we will be bridging the gap that currently exists between the current CCC program and title I of Public Law 480 (food for peace). The Public Law 480 program authorizes concessional credit for 20 to 40 years as opposed to the CCC program

of up to 3 years at commercial rates of interest.

The second portion of our bill will establish the eligibility of non-market-economy countries to participate in CCC credit programs. Senator HUMPHREY and I decided to take this approach because we believe that these countries will be where our significant market advances will be made in coming years. We must begin to export to these countries or we will lose these important markets to competing nations, thereby continuing our historic position as no more than a residual supplier.

None of these nonmarket economies will be getting a free ride. And all of them will be required to meet stringent CCC tests for credit worthiness. If these rigid standards cannot be met, then credit simply will not be offered. In no case will it be offered on concessional terms.

While this bill will not immediately reverse the discouraging conditions facing our farmers, Mr. Speaker, it will be a promising and significant step in the right direction.

List of cosponsors follows:

Mr. Findley, Mr. Rostenkowski, Mr. Derwinski.
Mr. Guyer, Mr. Bedell, Mr. Sebelius, Mr. Baldus, Mr. Nolan.
Mr. Glickman, Mr. Quie, Mr. Andrews of North Dakota, Mr. Baucus.
Mr. Blouin, Mr. Leach and Mr. Ottinger.

Text of bill follows:

H.R. —

A bill to authorize the Commodity Credit Corporation to finance export credit sales of agricultural commodities and to authorize non-market economy countries to participate in certain programs of the Commodity Credit Corporation

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Agricultural Trade Expansion Act of 1977."

SEC. 2. Section 4 of the Food for Peace Act of 1966 (80 Stat. 1538; 7 U.S.C. 1707a) is amended to read as follows:

"SEC. 4. (a) Commercial sales of agricultural commodities out of private stocks on credit terms of not to exceed three years may be financed by the Commodity Credit Corporation under its Export Credit Sales Program.

"(b) Export sales of agricultural commodities out of Commodity Credit Corporation and private stocks on credit terms in excess of three years, but not more than ten years, may be financed by the Commodity Credit Corporation. The provisions of Public Law 664, 83rd Congress, as amended (68 Stat. 832, 46 U.S.C. 1241(b)), shall not apply to sales financed pursuant to this subsection.

"(c) There are hereby authorized to be appropriated such sums as may be necessary to reimburse the Commodity Credit Corporation annually for its actual costs incurred or to be incurred under programs undertaken under this section.

SEC. 3. Notwithstanding any other provision of law denying non-market economy countries eligibility to participate in programs of the Government of the United States, such countries shall be eligible to participate in any program carried out by the Commodity Credit Corporation (other than under the Agricultural Trade Develop-

ment and Assistance Act of 1954) under which credit or credit guarantees or investment guarantees are extended, directly or indirectly.

A TRIBUTE TO ADOLPH RUPP— BARON OF BASKETBALL

HON. JOHN BRECKINRIDGE

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. BRECKINRIDGE. Mr. Speaker, it is with great sadness that I report to the House today that the "Baron of Basketball," "The Man in the Brown Suit," Adolph Rupp is dead of cancer at the age of 76.

As head basketball coach at the University of Kentucky in Lexington—my district—Coach Rupp won more college basketball games than any other coach in history. His lifetime record was 879 victories against 190 defeats—an admirable record in any field of endeavor.

His career can only be called an epic. The impact, record and achievements of Adolph Rupp are almost difficult to overstate. He was a great man, a great leader, and a great Kentuckian. He may be the most famous Kentuckian since Abraham Lincoln.

No one who loves basketball in America will ever be able to forget Coach Rupp and his fighting U.K. Wildcats—"The Fabulous Five"—Alex Groza, Ralph Beard, Kenny Rollins, Wah Wah Jones, and Cliff Barker. And who will ever forget Cliff Hagan, Frank Ramsey, the "Fiddlin' Five" and—yes—even "Rupp's Runts?" Forty-three years of colorful, exciting, and winning basketball—that was Adolph Rupp's gift to the Commonwealth of Kentucky.

The Rupp "style" was also unforgettable. His fast-break play totally revolutionized the game of basketball forever. And he cared about winning. Rupp had no patience with those who thought winning was not important—only the way you played. "Why in the Hell do they keep score, then?" he was fond of saying.

Coach Rupp's illustrious career was ample testimony of his attitude about the importance of winning. It included four NCAA national titles, 20 NCAA appearances, 27 Southeastern Conference titles, one NIT crown, and a lifetime winning percentage of 83 percent. Only one adjective can summarize this man—he was a winner.

A day of mourning was ordered by our Governor, Julian Carroll, for December 13—the day Coach Rupp was to be buried in his familiar trademark—his brown suit.

So Coach Rupp is gone but not forgotten. One year ago, a 23,500 seat arena—the Rupp Arena—was dedicated in Lexington as a lasting tribute to the Baron of Basketball.

EXTENSIONS OF REMARKS

ANTI-INFLATION TAX REDUCTION AND REFORM ACT OF 1977

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. GRADISON. Mr. Speaker, today I introduced a bill entitled the Anti-Inflation Tax Reduction and Reform Act of 1977. This bill, quite simply, provides tax justice for the American taxpayer. The general approach of this bill will be to adjust the income tax tables on a yearly basis to take into account the rate of inflation. In other words, this "indexing" will adjust the tax tables annually for the benefit of the taxpayer by offsetting inflation that has already occurred.

This type of tax reduction is long overdue. Because the personal income tax tables are progressive in nature, any increase in income leads to a greater tax burden on every American wage-earner. This kind of progressive tax liability, or escalating feature, hits hardest in the lower-income brackets. What really happens is that the American taxpayer never "catches up" with the inflation that the Federal Government helps to create in the first place. Indeed, after the Federal Government takes its share right off the top, the amount of money that a family actually gets to spend decreases. So, despite rising personal income, a family's purchasing power is continually chipped away by these automatically imposed tax liabilities.

In my opinion, the Congress plays a cruel hoax on every working American when it expects a pat on the back for giving periodic tax cuts. The fact is, those cuts are nothing more than an economic flimflam. Those cuts do not begin to make up for the yearly inflation we all are faced with. It is high time that the taxpayer gets the break instead of the Federal Treasury. After all, it is the taxpayer's money, not the Government's. I do not believe that the working men and women of this country should have to wait for a "generous Congress" to give them back something that they have already earned.

My indexing plan would allow for an automatic yearly "catch up" for the American taxpayer instead of the present system in which they are indeed fighting a losing battle. This system is not new. The Congress is well aware of the benefits of "indexing." In fact, when those indexing benefits work to the Government's advantage, the Congress always manages to use it. We index social security, we index supplemental security income, we index Federal and congressional salaries and there is now talk of indexing welfare benefits. Surely if these forms of indexing make sense we should apply the same principle to the taxpayers who foot the bill for Government spending programs and quite frankly force the U.S. Government and its elected Representatives to face the realities of inflation head on.

Let me quickly explain how this sys-

December 15, 1977

tem would work for the benefit of American taxpayers. Every year, the withholding rates and tax tables will be recalculated so that if your income is increased to make up for inflation, your taxes will be in the same proportion to your income as they were before the inflation occurred. This is the only reform which successfully counters future inflation as well as past. It will provide that American taxpayers pay no more than their fair share for the services their Government provides, while also ending a deceptively hidden tax increase. In the future, if my proposal were law, tax cuts passed by the Congress would be real, permanent reductions in taxes and, conversely, any future tax increases would be voted on by Congress and signed by the President, instead of being automatically imposed through inflation.

This proposal does not fully complete the job of adjustment, but it does establish the principle that the American taxpayer comes first.

Mr. Speaker, by introducing this bill on the final day of this session of Congress, I am asking that any tax reductions which may be proposed in the months ahead—including those of the President—be measured against this simple test: Do such tax cuts produce lasting, permanent protection for income taxpayers in an environment of continued inflation. Only a tax cut which meets this test—as mine would do—will be considered true tax reform and tax reduction by the American people.

RECENT ADMINISTRATION ARMS CONTROL INITIATIVES THREATEN

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. KEMP. Mr. Speaker, in recent weeks, the Carter administration has taken several initiatives in the arms control arena, most of which will, if agreed to, have adverse implications for the security interests of the United States and particularly our primary alliance, NATO.

For instance, cruise missiles. The European members of NATO perceive the cruise missile as their future principal means of offsetting the drastic increase in the threat posed to their security by the Soviet Backfire bomber and SS-20 mobile intermediate range ballistic missile. Nevertheless, the Carter administration has adopted a SALT posture, particularly with respect to qualitative limitations placed on American cruise missiles, and limitations on the transfer of cruise missile technology to allied nations. Our European allies now understand that there are no circumstances in which the United States will transfer cruise missile technology to them if it has been denied to the United States by treaty. The limitations on cruise missiles are so onerous on the United States as to deny the full potential of this new technology to Europe. The implications of

this could be disastrous of our own and allied security.

Comprehensive test ban. The administration's zeal to reach an agreement to ban all nuclear tests has pushed us into a national posture of proposing an agreement which will permit the Soviet Union to conduct tests which exceed American verification capabilities. By failing to make proper allowance for permitted activities within the scope of the proposed agreement will result in an asymmetric accord favoring the Soviet Union. Unless some major suitable definition of permitted and prohibited activities can be reached within the context of the CTB, I believe that the Congress should reject such a treaty in the ratification process.

The administration's proposals in the arms control arena have taken a particularly ill-advised course, and the difficulties the administration's SALT proposals have faced have been compounded rather than alleviated by its recent arms control initiatives. Unless policies are swiftly reversed, our arms control posture will become an instrument for increasing the risk of war and the manipulation of the threat of force in a crisis by the Soviet Union rather than a vehicle for inducing a reduction in the risk of war.

The Wall Street Journal in its editorial for December 15, 1977, provides an incisive critique of the American SALT posture as it affects our most crucial alliance, the NATO alliance. I insert the text of the Journal editorial in the RECORD at this point:

UNDERMINING THE ALLIANCE

While the formal meeting of the North Atlantic Treaty Organization last week issued a communique backing U.S. efforts to reach a new strategic arms agreement with the Soviet Union, the meeting was dominated by Europeans' fears that they are being sold out. In fact a treaty along the lines now being negotiated is almost certain to undercut efforts to reinvigorate the alliance.

Consider the view from Europe. The Soviet Union's military build-up continues across the board, and items that are marginal in the strategic arms negotiations are of huge moment to the European theater. One can argue, for example, about the threat to the U.S. from the new Soviet Backfire bomber, which can fly from Russia over the U.S. and land in Cuba. But clearly this advanced airplane greatly increases the threat to Europe.

Similarly, the Soviets are already deploying. This modern missile has a range of about 4,000 kilometers, not that much less than the 5,500 kilometers defined as intercontinental. The SS-20 is in fact the top two stages of a mobile intercontinental missile, missing stage could quickly convert these missiles to an intercontinental threat. In fact, the Soviets are known to be producing the extra stages for "storage." But even without the third stage, the SS-20 holds hostage every city in Europe.

NATO's big hope for offsetting these new Soviet deployments is the cruise missile, various versions of which are still in the development stage. The cruise missile is essentially a drone aircraft that flies at subsonic speeds but hopes to penetrate air defenses through its small size and ground-hugging altitudes. It can be equipped with astoundingly accurate guidance, meaning it is valuable not only as a strategic weapon with nuclear warheads, but as a theater weapon with conventional warheads. Its relatively low cost makes it an especially at-

tractive choice for our European allies, who do not have superpower budgets.

As tentatively agreed between the U.S. and the Soviet Union, the next strategic arms pact would limit the SS-20 not at all. It would limit the Backfire scarcely at all; the Soviets agreed not to build the new bomber faster than they already are, though at last word were refusing to say how fast that is. By contrast, the new pact seems likely to eviscerate the cruise missile.

Land- and sea-based cruise missiles would not be permitted ranges of over 600 kilometers, whether armed with nuclear or conventional warheads. Air launched cruise missiles can have ranges up to 2,500 kilometers, but may be installed only on heavy bombers. The number of these bombers is sharply curtailed, and if we can deploy only a few cruise missiles the development program may become vulnerable to cancellation on cost/effectiveness grounds. These treaty limits formally apply only to the U.S. and Soviet Union, of course, but a more-or-less-vague clause would prohibit "circumventing" its provisions, meaning transferring weapons or technology to allies to escape treaty limits.

So when any clear-eyed European looks at this package, he will see this: The Soviets can have unlimited numbers of a 4,000-kilometer, supersonic, multiple-warhead, mobile ballistic missile with which to threaten Europe. But if the Europeans want a subsonic, single-warhead, conventionally armed cruise missile, it cannot have a range of more than 600 kilometers. While agreeing to this kind of treaty, the U.S. tells its NATO allies that to meet the growing Soviet threat they must boost their defense spending and take the political heat for the decision to deploy the neutron bomb.

At the NATO meeting last week, Secretary of State Vance and Defense Secretary Brown tried to reassure the allies with a number of different arguments: That arms negotiations are good irrespective of the provisions of the treaty that results. That the circumvention provisions do not really ban American help for European cruise missiles. That the treaty limitations on cruise missiles are in a part of the treaty that only lasts three years, and cruise missiles will not be available for that long anyway.

This is reassuring only if you believe the U.S. will in fact circumvent the strategic arms treaty by providing the Europeans with cruise missile technology, and only if you believe the three-year limits will in fact not be extended. The last arms treaty to expire, the SALT-I interim agreement on offensive arms, was extended by a gimmick that precluded ratification by the U.S. Senate, let alone the allies. The Europeans did not ask for these promises in writing, as we would have, so perhaps they are persuaded. But they will not stay persuaded for long, and if the treaty is signed the alliance will have been dealt a severe and perhaps irreparable blow.

QUOTAS CRITICIZED AS UNDEMOCRATIC

HON. ROBERT S. WALKER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. WALKER. Mr. Speaker, as a college student during the early 1960's, I participated in activities which helped bring about an end to legal segregation in this country. Like millions of other Americans, I saw in the ideals of the civil rights movement, the promise of a society where a person's race, religion, or sex

would no longer be a basis for discrimination, and where Americans would come to view each other as individuals.

In recent years, however, it has become increasingly clear that this dream has largely remained that—a dream. Sadly, the Federal Government which has been advocating special treatment for some, rather than equal treatment for all, through the implementation of quotas, must shoulder much of the responsibility for the continuing divisions in our society.

Unfortunately, much of this special treatment is being advocated in the name of the civil rights movement by people who seem to believe that the aim of that struggle was not equal opportunity for all individuals, but rather proportionate representation for some groups. To this end, they favor racial quotas and ethnic labeling, to insure that everyone is assigned membership in an "ethnic group" and that these groups get their designated "share" of opportunity.

I am convinced that these quotas, by making those personal qualities over which an individual has no control—race, nationality, or sex—the base for deciding who should be hired for a job or admitted to college, subvert the very meaning of the civil rights struggle. Just as I fought for the end of "Jim Crow" laws while in college, I am now fighting to end this new racial discrimination by sponsoring H.R. 9286 which would make Federal enforcement of such quotas by the Federal Government illegal.

Many individuals who were involved in the civil rights movement have also recognized that racial quotas are a step in the wrong direction. Prominent among these people is Bayard Rustin, former special assistant to Dr. Martin Luther King, and a man who was arrested 24 times for his role in the struggle for civil rights. In a recent speech at the University of Delaware, Mr. Rustin indicated that he felt such quotas were "a violation of democracy" and declared he was "unalterably opposed" to their use.

I am inserting into the RECORD an account of Mr. Rustin's speech which appeared in the November 29, 1977, issue of the Wilmington, Del. Evening Journal. The article follows:

QUOTAS CRITICIZED AS UNDEMOCRATIC

Bayard Rustin, active in the civil rights movement since the early 1940s, told a University of Delaware audience last night he is "unalterably opposed" to quota systems for minorities.

The 67-year-old native of West Chester, Pa., said quota systems are undemocratic. He said he wants blacks to feel they can do things on their own merits, "not because of what somebody may have done to somebody's grandfather. . . . You cannot pass on the other generations anything but the responsibility for their own."

Rustin, a former special assistant to the late Dr. Martin Luther King Jr., was speaking at part of the university's Concept of Power lecture series.

"Power for religious and ethnic groups . . . relies on their ability to convince the majority that their cause is just and what they are asking for is sane," Rustin said.

He told the mostly white audience that a democracy is the only place blacks will get their rights. He said, "At the point where there is a violation of the principles of democracy, a minority group is impaired."

Saying that race is no longer the dominant issue in the black struggle, Rustin pointed out that the problem "is more profoundly class than race." Using integration in Boston as an example, he said the working class whites are expected to achieve integration in South Boston while the wealthier classes are left comfortably out of it. "Unless there is a fantastic adjustment in the tax structure of this country, there is no way the blacks will have the ability to appeal to the white people." He said President Carter is making certain "that the wealthy are satisfied" and rates poorly in the black struggle.

Rustin, arrested 24 times in his struggle for human rights, emphasized that people are basically the same, and that blacks should fight not only against injustices to them, but to all people.

GRAND JURIES: A LAWYER'S REBUTTAL

HON. MARTY RUSSO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. RUSSO. Mr. Speaker, grand jury reform is the subject of continuing debate in legal circles, as well as the press.

With such a complicated issue, I think we are wise to listen closely to those whom we know to be skilled in the law and perceptive in their judgments. Such a man is Melvin Lewis, professor of law at John Marshall School of Law in Chicago. Professor Lewis has been involved in many congressional hearings on the criminal justice system, including hearings on the rules of criminal procedure and the entire criminal code.

Today I would like to share with my colleagues Professor Lewis' rebuttal to a Chicago Tribune editorial on grand juries:

[From the Chicago Tribune, Sept. 9, 1977]

GRAND JURIES: A LAWYER'S REBUTTAL

CHICAGO.—As a member of the American Bar Association Committee on the Grand Jury, I was deeply disturbed by the argument made in your Aug. 15 editorial "Reforming the grand jury."

You concede that the grand jury is normally only a rubber stamp for the prosecutor, and that its procedures lend themselves to an abuse of witnesses. Yet you object to permitting witnesses to be accompanied by their lawyers—the only reform which could meaningfully palliate the worst of these abuses.

Your first argument is that a grand jury witness doesn't need protection, since he is not on trial. Very much the contrary, the involuntary grand jury witness is the least favored person known to the Constitution and is subject to practices which would not be tolerated if performed by a policeman against a suspect at a station house.

As only one minor example, the Supreme Court recently upheld the prosecutor's right to call a suspect before a grand jury without letting him know that he is a suspect. Indeed, such a person is not even entitled to Miranda warnings. By the time the prosecutor finishes questioning his target, he has frequently obtained a transcript which renders the ensuing trial an empty formality. Any reasonably competent lawyer, questioning a friendless witness in oppressive circumstances, will have little trouble producing such a transcript.

You also state that such a witness has "the right to take the 5th Amendment." Alas, that is no longer true. He has the right only to a specious protection called "use immunity." He talks, or he goes to jail; and if a witness, however honest, can be forced to talk enough, it is no great trick to extract a statement which can arguably be called perjury. The resulting perjury indictment reflects a "crime" deliberately produced by the grand jury, supposed protector of the innocent. That is exactly what happens on almost a daily basis.

Your characterization of the grand jury as "the citizen's ultimate legal recourse against tyranny" will evoke rueful shudders from all experienced lawyers who know the grand jury to be the most significant source of tyranny in our legal system. And your suggestion that "one of the first moves of a would-be dictator . . . is to try to abolish it" has no historical basis. The grand jury is exclusively a feature of Anglo-Saxon law and has now been abolished in England, where it was invented—a recognition that the grand jury concept may be practical as applied to a bucolic, medieval society, but that it has no rational place in a modern legal system serving a densely compacted urban population.

You state that protection is unnecessary because a grand jury is theoretically independent of the prosecutor. The "runaway" grand jury to which you refer is so infrequent a phenomenon as to be meaningless. The grand jurors, unaided, do not even know how to issue a subpoena to bring a witness before them. The "runaway" grand jury is not even a theoretical factor in federal law, since an indictment has no validity unless the prosecutor signs it. The true state of affairs is reflected by the Watergate grand juries. There were two of them. The first was in the hands of a prosecutor who apparently wanted criminal charges limited to the direct burglary participants. The second was in the hands of a prosecutor who apparently wanted criminal charges against high public officials. Each prosecutor got what he wanted.

Next, you say that it is "natural that prosecutors should denounce the plan." But in fact, the chairman of our committee is a professional prosecutor of more than 25 years' experience; and the dozen or so members of the committee include at least three other present and many former prosecutors. The recommendation of the committee was unanimous, because its members felt a stronger commitment to individual liberties than to a narrow professional advantage.

Finally, you suggest that the ABA voted for this plan because it would "give them more work." That suggestion lacks all factual base. The knowledgeable witnesses who can afford such service are represented already, and public defenders have no time to devote to the recruitment of clients. However, under present practice the lawyer must sit outside the grand jury room, and the witness must excuse himself to consult with the lawyer when he wishes to do nothing more than to permit the lawyer to join his client. It hardly merits the apocalyptic vision which your editorial calls forth.

FARMERS' WATER RIGHTS INCLUDE KEEPING PANAMA CANAL

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. HANSEN. Mr. Speaker, the mainstay of America's economic well-being lies in its farms. To date much attention has been given to various aspects of the proposed Panama Canal Treaties, how-

ever little has been said about the potential harm which would befall the American farmer. Recently, I happened upon an article entitled "The Panama Canal and U.S. Farm Trade" which was published by the Department of Agriculture. The article is exceptionally good and I highly recommend it to all my colleagues, especially those who have large farming interests within their districts.

Additionally, Mr. Speaker, at my request the Congressional Research Service prepared an analysis of this article which I also include for the RECORD:

THE PANAMA CANAL AND U.S. FARM TRADE

While its role in total U.S. trade has declined in recent years, the 51-mile-long Panama Canal continues to be a key east-west link for U.S. farm trade. Grain, soybeans, and cotton headed to the Far East from U.S. Great Lakes, east coast, and gulf ports are especially dependent on the Canal, whose opening in 1914 gave U.S. shippers a welcome alternative to the hazardous Cape Horn route and helped foster east-west trade.

During 1976, about one in every 5 tons of U.S. farm product exports moved through the Canal. This amounted to some 20 million metric tons, or two-thirds of all farm product traffic through the Canal last year and about 17 percent of total Canal shipping.

Far the most important farm commodities shipped via the Canal are grains, soybeans, and other bulk products, whose lifelines to foreign markets are still the ocean-going tankers and freighters.

During fiscal 1976 grains and soybeans accounted for 16.3 percent of all traffic through the Canal—their share being exceeded only by the 18.7 percent for petroleum and petroleum products.

In calendar 1976, roughly 18 percent of the 44.3-million ton U.S. corn export, 26 percent of the 15.3 million-ton soybean export, and 45 percent of the 5.7-million ton grain sorghum export moved through the Canal. These three products, combined, earned \$9.1 billion in foreign exchange for the United States during 1976 out of the \$23 billion in total U.S. farm exports.

Adding in other bulk products dependent on Canal transit—including wheat and cotton—would push the figure much higher still.

By penetrating the land barrier to transportation posed by Central and South America, construction of the Canal through the Isthmus of Panama represented one of the early breakthroughs for U.S. trade, paving the way for export gains in the Far East and other distant markets. For many U.S. farm products, this advantage continues, despite hikes in Canal tolls since 1974 and the advent of air transportation and innovative land-sea connections.

Last year, for instance, the Canal handled 70 percent of all U.S. farm commodity exports to 15 markets in East, Southeast and South Asia and Oceania. The Asian market as a whole now means \$8.5 billion to U.S. farmers and ranks alongside Western Europe as the leading outlet for U.S. agricultural products.

Japan—the largest single-country market, with imports of U.S. farm products approaching \$4 billion—took over 12 million tons of U.S. agricultural shipments through the Canal last year. That adds up to around 60 percent of all U.S. farm product exports through the Canal and an even larger percentage of U.S. farm trade with Japan.

South Korea and Taiwan each took more than 1.5 million tons of U.S. products via the Canal last year, while Hong Kong, Indonesia, and Chile also received large quantities of westward bound shipments.

COMPARATIVE DISTANCES TO SELECTED PORTS VIA PANAMA CANAL (PC) AND STRAITS OF MAGELLAN (M)

[In nautical miles]

From—	Via	To—							
		San Francisco	Seattle (Vancouver)	Guayaquil	Callao	Valparaíso	Yokohama	Shanghai	Singapore
New York, N.Y.	Panama Canal	5,263	6,038	2,842	3,368	4,634	9,700	10,584	12,523
	Straits of Magellan	13,122	13,898	10,241	9,605	8,366	16,209	16,761	16,619
Halifax, Nova Scotia	Panama Canal	5,583	6,358	3,162	3,688	4,954	10,020	10,904	12,843
	Straits of Magellan	12,987	13,763	10,106	9,470	8,231	16,074	16,626	(1)
Norfolk (Newport News, Va.)	Panama Canal	5,067	5,842	2,646	3,172	4,438	9,604	10,388	12,327
	Straits of Magellan	13,068	13,844	10,187	9,551	8,312	16,155	16,707	(1)
New Orleans, La.	Panama Canal	4,689	5,464	2,268	2,794	4,060	9,126	10,010	11,949
	Straits of Magellan	13,495	14,271	10,614	9,978	8,739	16,582	17,134	(1)
Aruba, Netherlands Indies	Panama Canal	3,922	4,697	1,501	2,027	3,293	8,359	9,243	11,182
	Straits of Magellan	12,006	12,782	9,125	8,489	7,250	15,093	15,645	(1)
Rio de Janeiro, Brazil	Panama Canal	7,656	8,431	5,235	5,761	7,027	12,093	12,977	(1)
	Straits of Magellan	8,426	9,202	5,545	4,909	3,670	11,513	12,065	11,923
Buenos Aires, Argentina	Panama Canal	8,674	9,449	6,253	6,779	(1)	(1)	(1)	(1)
	Straits of Magellan	7,582	8,358	4,701	4,065	2,826	10,669	11,221	11,079

¹ Not applicable.

Source: Panama Canal Company Board of Directors: "Report of Panel on Proposed Changes in Rates of Tolls for the Panama Canal," Sept. 13, 1976.

PANAMA CANAL CARGO MOVEMENT, BY PRINCIPAL TRADE ROUTES, 1966-75¹

[In thousands of long tons]

Item	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975
East Coast United States-Asia	25,912	29,742	34,691	39,486	48,337	49,535	40,036	50,051	56,935	55,402
Europe-West Coast United States/Canada	7,343	6,786	7,481	7,600	8,932	9,698	9,160	10,210	11,555	10,561
East Coast United States-West Coast South America	7,628	7,867	6,778	7,383	8,674	8,007	6,805	7,929	8,498	8,417
Europe-West Coast South America	6,645	5,754	5,901	5,618	6,013	5,723	5,729	4,839	4,782	5,481
Europe-Asia	653	1,075	4,642	3,698	5,027	5,164	5,783	6,346	8,500	10,028
Europe-Oceania	2,255	2,184	2,752	2,659	2,864	3,397	2,938	3,307	3,588	3,590
U.S. Intercoastal (including Alaska and Hawaii)	5,787	5,273	4,678	3,793	3,670	3,794	3,134	3,812	4,647	4,386
West Indies-West Coast United States	1,579	2,385	2,311	2,019	2,061	2,536	2,341	2,065	2,279	2,746
East Coast South America-West Coast United States	2,692	1,996	2,160	2,257	2,700	3,106	2,744	2,576	4,462	2,934
East Coast United States-West Coast Central America/Mexico	2,798	1,031	1,216	1,192	1,143	1,577	1,626	1,717	2,170	1,869
South American Intercoastal	2,816	3,163	3,498	3,995	2,454	2,320	3,812	3,306	4,598	4,675
West Indies-Asia	1,848	2,001	2,618	2,400	2,479	3,225	2,141	2,352	2,557	2,150
East Coast Canada-Asia	704	1,148	1,951	2,187	2,672	2,935	3,549	3,670	4,025	3,461
East Coast United States/Canada-Oceania	3,269	3,526	2,900	3,034	2,644	2,870	3,432	3,395	4,005	4,130
All other routes	9,775	12,262	12,973	14,052	14,187	14,740	16,004	20,529	25,306	20,271
Total	81,704	86,193	96,550	101,373	114,257	118,627	109,234	126,104	147,907	140,101

¹ Toll-paying ocean-going commercial traffic (vessels of 300 Panama Canal net tons and over).

Source: "Panama Canal Company Board of Directors Report of Panel on Proposed Changes in Rates of Tolls for the Panama Canal," Sept. 13, 1976.

ACTUAL AND PROJECTED PANAMA CANAL TRAFFIC FOR SELECTED AGRICULTURAL AND RELATED PRODUCTS

[In thousands of long tons]

Commodity	Projected											
	Actual, fiscal year 1975 ¹			Fiscal year 1977 ²			Fiscal year 1978 ²			Fiscal year 1979 ²		
	P-A ³	A-P ³	Total	P-A	A-P	Total	P-A	A-P	Total	P-A	A-P	Total
Wheat	291	4,422	4,713	475	3,630	4,105	300	3,940	4,240	300	4,195	4,495
Coarse grains	230	9,405	9,635	455	11,365	11,820	340	12,770	13,110	340	13,595	13,935
Bananas	1,682	1,682	1,665	1,665	1,665	1,665	1,710	1,710	1,710	1,760	1,760	1,760
Sugar	2,852	1,389	4,241	3,280	950	4,230	3,420	1,000	4,420	3,510	1,050	4,560
Soybeans	10	3,472	3,482	80	4,555	4,635	100	5,085	5,185	100	5,455	5,555
Lumber	3,517	127	3,644	4,105	75	4,180	4,585	75	4,660	5,165	75	5,240
Pulp, paper, and paper products	2,625	695	3,320	1,975	630	2,605	2,520	725	3,245	3,045	620	3,665
Phosphates	84	5,092	5,176	25	3,740	3,765	25	4,155	4,180	25	4,670	4,695
Potash, fishmeal, and fertilizers	1,894	2,274	4,168	2,125	1,130	3,255	2,365	1,280	3,645	2,605	1,475	4,080
Refrigerated foods	1,683	409	2,092	1,680	332	2,012	1,675	310	1,985	1,685	257	1,942
Other food	2,923	947	3,870	2,660	545	3,205	2,501	530	3,031	2,432	520	2,952
Miscellaneous cargo and containers	5,144	3,828	8,972	5,725	4,990	10,715	6,160	5,660	11,820	6,595	6,295	12,890
Total traffic	56,009	84,092	140,101	52,875	74,478	127,353	55,600	78,467	134,067	58,449	81,719	140,168

¹ July-June.² October-September.³ P-A — Pacific to Atlantic; A-P — Atlantic to Pacific.

Source: Panama Canal Company Board of Directors: "Report of Panel on Proposed Changes in Rates of Tolls for the Panama Canal," Sept. 13, 1976.

PANAMA CANAL: MOVEMENT OF MAJOR AGRICULTURAL PRODUCTS THROUGH THE CANAL IN 1976

[In thousands of metric tons]

Commodity	Atlantic/Pacific	Pacific/Atlantic
Wool		3
Edible oils ²		144
Wheat flour		81
Tobacco		86
Total		19,467
		11,025
Canned and refrigerated foods ¹	490	3,671
Barley	39	526
Corn	8,307	30
Oats	33	5
Rice	19	281
Sorghum	2,264	36
Soybeans	4,458	708
Wheat	2,478	38
Beans	33	51
Cocoa	9	631
Coffee	27	115
Copra, coconuts		142
Cotton	260	662
Molasses		120
Oilseeds	31	4
Skins and hides	2	703
Sugar		2,794

¹ Including bananas, dairy products, fish, meat and other.² Fish oil, vegetable oil, coconut oil and whale oil.

Note: Atlantic/Pacific lumber and products in 1976 were 216,000 metric tons and Pacific/Atlantic shipments were 5,432,000 tons.

Trade between the U.S. east coast and Asia was 47,900,000 tons or 48 percent of the total canal cargo volume through the canal. Japan was the origin or destination of 44,700,000 tons of cargo transiting the canal or 77.1 percent of the total cargo moving to and from the Far East.

Source: Panama Canal Company, "Annual Report, Fiscal Year—June 30, 1976."

Such products originate throughout the eastern half of the United States, ranging from the granary States of the Midwest and Great Plains to the cotton fields of Arkansas and Louisiana.

U.S. corn and soybeans bound for the Far East travel to Great Lakes ports or down the Missouri, Ohio, and Mississippi River to the gulf for westward shipment through the Canal.

Short-staple cottons used by Asian markets are produced in Texas and the western Old South and shipped out of the gulf.

While White wheat and Hard Spring wheats produced in the Pacific Northwest tend to go to west coast ports, Hard Red Winter wheats and almost all grain sorghum move out of the gulf and—again—through the Canal.

Also of significance are shipments from the U.S. west coast to Europe, as well as to the

U.S. east coast. Last year, 60,802 bales of California and Arizona cotton moved eastbound into export through the Canal. In addition, much canned fruits and vegetables moving from the west coast to east coast, as well as some citrus and dried fruits, go through the Canal.

Total shipping through the Canal during fiscal 1976 included 13,201 ship transits and cargo movements of 119.3 million metric tons. (However, this was the lowest level since 1965, reflecting the worldwide recession and reopening of the Suez Canal.)

Of all the foreign trade going in and out of U.S. seaports, 7 percent passed through the Canal in fiscal 1976, compared with 13 percent in 1949. More than two-thirds of this trade either originated in the United States or was destined for U.S. ports.

Tolls on the Panama Canal have been increased three times since 1974—once as a result of a technical change and twice to make up for deficits incurred by the Panama Canal Company, which is required by law to be self-sustaining. So far, these increases have carried charges some 50 percent above those prevailing before 1974, to \$1.29 per ton currently.

Still, the Canal is a much more economic means of shipping bulk products than any other alternative now available.

Rerouting grain shipments around South America might almost double transportation costs, according to USDA analyses. And transit time would be increased considerably; for example, shipping time from New Orleans to Yokohama would rise from an average of 25 to 45 days in vessels that normally carry shipments of bulk grain.

Such factors would lessen the U.S. farmer's ability to compete for Asian markets, thus benefiting Australia and other exporting nations with access to the Pacific or those with closer locations to major markets. Cross-country land-sea transportation—including the minibrIDGE system with surface carriers now used extensively for container shipping—also would be prohibitively expensive for grains and soybeans. Moreover, existing transportation and port facilities could not handle the volume increases that would be required to circumvent the Canal.

U.S. farmers and rural communities thus have much to gain from continued, dependable operation of the Panama Canal.

These benefits radiate throughout the economy. Farmers depend on the export market to take one in every three harvested cropland acres, amounting to a fifth of net farm income. And gross farm income in the first half of 1977 was running at an annual rate of \$108 billion—more than that generated by any other U.S. industry—with some \$85 billion of the production expense paid to people outside agriculture.

A LOOK BACK

For early U.S. shippers, South America posed a formidable barrier capped by a hellish passage around Cape Horn through the Straits of Magellan. Probably the most vivid picture of shipping in the 1830's comes from Richard Dana's *Two Years Before the Mast* and his account of life on brigs laden with hides bound from the west coast for Boston. To Dana, the voyage from Santa Barbara, California, to Boston reached its climatic low on the trip around Cape Horn. Describing desolate Staten Land east of Cape Horn, Dana wrote:

"It was a place well suited to stand at the junction of the two oceans, beyond the reach of human habitation, and encounter the blasts and snows of a perpetual winter. Yet dismal as it was, it was a pleasant sight to us; not only as being the first land we had seen, but because it told us that we had passed the Cape—were in the Atlantic—and that, with twenty-four hours of this breeze, we might bid defiance to the Southern Ocean."

The "remote and almost unknown coast

of California" described by Dana was eventually to become a bustling commercial and population center, while distant markets in Europe and the Far East were to figure importantly in U.S. trade. Transit time from the U.S. west to east coasts would be shortened from 150 days or more to about 2 weeks. Actual distance would be reduced by more than half with the building of the Panama Canal across the Isthmus of Panama some 80 years later. And costs, both human and monetary, would be cut dramatically.

Because of early shipping problems, however, attention was soon focused on building a canal across the narrow neck of the Isthmus of Panama.

In 1881, a French company began the first unsuccessful effort to build a sealevel canal across the Isthmus. Some 21 years later—on June 28, 1902—Congress approved the Spooner Act, authorizing President Theodore Roosevelt to buy for \$40 million the rights and property of that company, contingent on provision by Colombia of the necessary land to be controlled by the United States.

The Hay-Herran Treaty, signed by the United States and Colombia, January 22, 1903, would have provided these rights for 100 years. The U.S. Senate ratified the Treaty, but the Colombian Senate refused.

On November 3, 1903, a revolt in Panama created the independent nation of Panama, and U.S. naval vessels prevented Colombian troops from landing to put down the revolt. The new nation was recognized by the United States on November 16.

Then, on November 18, 1903, the Hay-Bunau-Varilla Treaty was signed by the United States and Panama's Provisional Government. It granted the United States the exclusive right in perpetuity to build and operate a canal across Panamanian territory and all the rights it would possess as if it were sovereign.

The United States agreed to pay Panama \$10 million outright and \$250,000 annually beginning in 1913. This treaty has remained the basic authority for U.S. control of the Canal, although modifications were agreed to in 1936 and 1955.

The Canal was opened August 15, 1914, after 10 years of construction at a cost of \$387 million. It is 51 miles long, and the Canal Zone is 647 square miles, including tidal water.

Under terms of the 1903 Hay-Bunau-Varilla Treaty, the Canal Zone is within the jurisdiction of the United States and is administered under U.S. law by a governor appointed by the President for a 4-year term. The governor serves as president of the Panama Canal Company, which is a corporate agency of the U.S. Government and operated under a Board of Directors appointed by the Secretary of the Army.

The Canal Company is responsible for all operations involved in the movement of ships through the Canal.

Following Panamanian riots in 1959 and 1964, new draft treaties were announced in 1967. These proved fruitless, and new treaty negotiations were begun in 1973, continuing until this year. Since 1964, four Administrations, representing both political parties, have pursued such negotiations.

PANAMA CANAL TREATIES

U.S. negotiations of new treaties have been based on the premise that the national interest lies in assuring that the Canal continues to be efficiently operated, secure, neutral, and open to all nations on a nondiscriminatory basis. The cooperation of Panama is fundamental to these goals.

The new treaties, signed in Washington, September 7, 1977, are contingent on ratification by the U.S. Senate and by national plebiscite in Panama. There are two treaties—one guaranteeing the permanent neutrality of the Canal, and a basic treaty governing the operation and defense of the Canal through December 31, 1999.

Provided the treaties are ratified, the United States will have responsibility for Canal operations, including tolls, during the period of the basic treaty (until 2000). It will continue to have access to and the rights to use all land and water areas and facilities necessary for the operation and maintenance of the Canal during that period.

Panama will receive an annual payment from toll revenues of 30 cents per Panama Canal ton transiting the Canal, this to be adjusted periodically for inflation. The United States also will pay Panama \$10 million a year for operating expenses, plus \$10 million more, if Canal revenues permit, compared with \$2.6 million currently paid each year.

In addition, the United States has pledged its best efforts to assist Panamanian development through loans and credits under existing U.S. authority.

Private business and nonprofit activities in the present Canal Zone will be able to continue on the same terms applicable elsewhere in Panama. A joint authority will coordinate port and railroad activities.

All U.S. civilians currently employed in the Canal Zone can continue in U.S. Government jobs until retirement. Other provisions generally assure the continuation of protections and benefits now available to these employees.

The two countries commit themselves jointly to study the feasibility of a new sealevel canal and, if they agree that such is necessary, to negotiate mutually agreeable terms for its construction. In addition, the United States will have the right throughout the term of the basic treaty to add a third lane of locks to increase the capacity of the existing Canal.

Other provisions of the treaties cover defense and national security considerations. The United States will have primary responsibility for the Canal's defense during the basic treaty's term, after which the U.S. military presence will end in the year 2000. Total U.S. military personnel in the Canal Zone is now 9,300.

U.S. agriculture's interest in the treaties hinges on continuation of dependable trading lanes throughout the world—free of exorbitant new increases in transportation costs. Higher energy costs have not been avoidable, but farmers need to know that the commodities they produce will not stack up in port or on the way to sea—owing to a closing of a major transportation route or a prohibitive rise in shipping costs. It is important that the Panama Canal Treaties perpetuate these conditions.

POSSIBLE EFFECTS OF INCREASED CANAL TOLL FEES AND RESTRICTED ACCESS TO THE PANAMA CANAL ON U.S. AGRICULTURAL TRADE

(By Janice E. Baker)

This report was prepared in response to a Congressional request for analysis of and comments on the general effect of increased Panama Canal tolls on U.S. farm trade, and for comments on the statistical tables appearing in "The Panama Canal and U.S. Farm Trade," Foreign Agriculture, October 17, 1977.

IMPORTANCE OF THE PANAMA CANAL

The Panama Canal has been a major transportation route for U.S. farm exports and imports for many years. In 1976, approximately 20 percent of all U.S. agricultural exports, or about 20 million tons of commodities, travelled through the Canal. This figure included 45 percent of U.S. grain sorghum exports, 26 percent of U.S. soybean exports, and 18 percent of U.S. corn exports. Imports of fruits and other tropical products pass through the Canal on route to U.S. markets. Domestic produce, such as processed fruits and vegetables, moving from the U.S. West Coast to eastern markets also use the Canal.

The Canal is particularly important in U.S.-Asian trade. About 70 percent of U.S. farm products sent to Asian markets in 1976 travelled through the Canal. Corn, soybeans, wheat, and grain sorghum from the Midwest were shipped to Gulf ports and through the Canal to the Far East. Short staple cotton from Texas, Arkansas, and Louisiana followed the same route to Asian markets.

Japan, the largest single market for U.S. farm commodities, receives much of its imports by way of the Canal. In 1976 Japan received 12 million tons of U.S. corn, soybeans, and grain sorghum through the Canal. Korea and Taiwan each received 1.5 million tons of U.S. farm goods by the Canal route.

The second table in the Foreign Agriculture article, found on page 3, shows that the bulk of cargo moving through the Canal in 1975 was on route from the eastern United States to Asia. This shipping represented 39 percent of the total tonnage going through the Canal. The second most significant category in the table was shipping between Europe and the U.S. West Coast (7 percent of the total). Increases in Canal toll fees or loss of access to the Canal route could have had detrimental effects on shipping between those markets.

CANAL TOLL INCREASE

U.S. law requires that the Panama Canal Company be self-supporting through collection of Canal toll fees. The current toll is \$1.29 per Panama Canal ton, a measure equal to a volume of 100 cubic feet.

With or without ratification of the recently negotiated treaties, Canal toll rates are expected to rise in the near future, perhaps by as much as 30 percent. Using that figure, the new rate could be \$1.68 per Panama Canal ton.

Department of Agriculture officials have estimated that a 30 percent increase in the toll could add 5 percent to overall transportation costs for farm exports using the Canal. Although this increase could reduce the current price advantage of U.S. wheat over Canadian wheat, the U.S. soybeans over Brazilian soybeans, in Asian markets, the impact on the total volume of U.S. export sales should be minimal.

The third table in the Foreign Agriculture article, found on page 4, shows the major agricultural commodities moving through the Canal in 1976. In the Atlantic/Pacific direction, the most important items in terms of tonnage were corn (42 percent of the total) and soybeans (23 percent). An increase in transportation costs for these commodities could make them somewhat less competitive with similar products from other nations. Because export sales of these products are major contributors to the positive side of the balance of trade, the United States has good reason to try to maintain the volume of feed-grain and soybean exports.

The table indicates that in the Pacific/Atlantic direction the most significant commodities shipped in 1976 were canned and refrigerated foods (33 percent) and sugar (25 percent). An increase in transportation costs for these commodities could be reflected in retail costs for these products in grocery stores in the eastern United States.

The fourth table in the Foreign Agriculture article, found on page 4, indicates actual and projected Canal traffic for selected products, 1975-1979. For fiscal year 1978 the largest projected users are coarse grains and soybeans, followed by lumber, sugar, and wheat. Most of the projected traffic in coarse grains, soybeans, and wheat reflects exports from Atlantic and Gulf ports to Asian markets. Increases in transportation costs could reduce the comparative advantage of these U.S. commodities.

RESTRICTED ACCESS TO THE CANAL

U.S. officials and traders are more concerned over restricted access to the Canal than over a toll increase. Certainly the effect

of restricted access to the shorter shipping route would be more harmful to farm trade than a higher charge for use of the Canal.

The first table in the Foreign Agriculture article, found on page 2, indicates the comparative distances between selected ports by way of the Panama Canal and by way of Cape Horn at the southern tip of South America. The shipping distance between New Orleans and Yokohama, Japan, would increase by 7,456 nautical miles, an increase of 82 percent. Although the shipping time and cost might not increase by the same percentage, it is clear that the longer route would have an adverse effect on the price of U.S. products in Asian markets.

Secretary Bergland has indicated that closure of the Canal could add 20 days to the delivery time for U.S. grains and soybeans in Asian markets, and the route around Cape Horn could double transportation costs. Australia and Canada would probably take Asian wheat markets away from the United States, and Brazil could undersell U.S. soybeans. In the Far East the United States currently has a price advantage over Brazil in soybeans, but the Cape Horn route would put the U.S. commodity at a price disadvantage.

Restricted access to the Canal could also have an adverse impact in terms of domestic marketing. The shipping distance between San Francisco and New York, for example, would increase by 150 percent. The relative costs of ocean and overland transportation and the importance of time in transit would have to be considered by West Coast shippers supplying the eastern United States.

Development of an overland transportation network to move grains and processed foods between East and West in the United States would require substantial financial investment. Railroad, truck, storage and handling facilities are currently insufficient to absorb the bulk of farm commodities that now travel by ship through the Canal.

RHODESIAN ARMS EMBARGO

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. BONKER. Mr. Speaker, I would like to call attention to a report written recently by two researchers who have been analyzing U.S. arms sales. The report describes continuing efforts to circumvent a United Nations embargo, supported by the United States, on arms sales to Rhodesia. Their analysis does not bode well for strict adherence to the recent U.N. embargo on arms sales to South Africa. If more is not done to prevent U.S. designed equipment, produced through licensing arrangements in other countries, from being transferred to South Africa or Rhodesia through overseas subsidiaries of U.S. multinational corporations, arms embargoes will have little chance of realizing their intended purposes.

Therefore, I commend the report to my colleagues and insert the following in the RECORD:

[From the Baltimore Sun, Nov. 22, 1977]

CIRCUMVENTING THE RHODESIA ARMS EMBARGO
(By Michael T. Klare and Eric Prokosch)

WASHINGTON.—In flagrant violation of a United Nations arms embargo officially supported by the United States, U.S.-designed Cessna 337 military aircraft have reportedly

been sold to the breakaway Smith regime in Rhodesia.

Several of the planes have been used as spotters in raids on neighboring Mozambique, according to Tony Avirgan, a freelance correspondent based in Dar es Salaam. One plane has reportedly been shot down over Mozambique.

According to Milavnews, a private British intelligence newsletter, the Rhodesian Air Force has received 20 Cessna F337 "Milrole" aircraft. The newsletter states that the aircraft were produced in France under Cessna license and "arrived in Rhodesia by circuitous routes in mid-1976 when they were ostensibly ordered by a 'Spanish fishing company' in the Canary Islands."

The Canary Islands were named in the press last year as a conduit for shipments of Winchester handguns to South Africa in violation of U.S. law and the U.N. embargo against that country.

The 337s, light, twin-engine planes, were fitted with underwing armament racks and are known in Rhodesia as the "Lynx," according to Milavnews. The French version is specially modified for short takeoff and landing, making it ideal for counter-guerrilla operations in rugged country. Another military version of the 337, the O-2, was used in Vietnam for aerial observation and light bombing of ground targets.

The story of the 337s is a classic example of the way in which international sanctions can be circumvented.

In 1960, Cessna acquired a 49-percent holding in Reims Aviation of Reims, France. Reims Aviation was given a license to produce Cessna aircraft for sale to Europe, Africa, and Asia. However, the "primary structures" of the 337 planes are actually made in the United States and shipped to France, according to "Jane's All the World's Aircraft"; only certain smaller components and equipment are French-produced. The Continental engines are also American-designed and are produced by Rolls Royce in England under license from Teledyne, another American company.

The State Department, which is required by law to monitor exports of aircraft and other items on the United States Munitions List, has refused to disclose U.S. government licenses for Cessna exports to Rhodesia on the ground that the manufacturer has requested that such information be kept confidential.

An official in the State Department's Office of Munitions Control told us, however, that Cessna had never requested permission to export military aircraft to Rhodesia from France or the United States. And if such a request were received, it would be turned down, he said.

"We just can't do a thing like that," the official said, citing the United Nations arms embargo. "Most assuredly, if anything like that happens, it would be clandestine."

An official in Cessna's International Department in Wichita, Kansas said he could not comment without further investigation.

The United Nations sanctions against Rhodesia were imposed in 1966 as a result of the outcry in the world community when the minority colonial government illegally broke away from Great Britain. Since then the regime has used harsh measures to preserve white ascendancy over the black majority who constitute 96 percent of the population.

A recent report by the Rhodesia-based Catholic Commission for Justice and Peace charged that more than half a million black villagers have been forcibly removed from their homes and placed in "protected villages" lacking sanitary facilities, clean water, and sufficient food. There is a dusk-to-dawn curfew and Rhodesian security forces have orders to shoot without challenge anyone found outside the compound during those hours.

"The open season on curfew breakers in Rhodesia seems akin to the 'free fire zones' of Vietnam," Los Angeles Times reporter Jack Folsie wrote last February. "(In Vietnam) bombs and gunfire could be rained down at will on such areas, and helicopter pilots could shoot at anything that moved" wearing black pajamas. Unhappily, uninvolved peasant farmers wore the same style clothing as the Viet Cong guerrillas."

Any further supply of arms to the Smith regime in Rhodesia will only prolong the agony of the population. As the situation worsens, our country must act responsibly to see that American firms do not participate in the bloodshed while in search of a profit.

The story of the Cessna 337s in Rhodesia bodes ill for the arms embargo on neighboring South Africa which the United Nations Security Council, with U.S. backing, has just adopted. Congress must act to investigate all illegal shipments to Rhodesia and South Africa and plug any legal loopholes which allow U.S.-designed equipment and "primary structures," through licensing of foreign production by overseas subsidiaries, to reach the battlefield.

Michael T. Klare is a fellow of the Institute for Policy Studies—Transnational Institute of Washington, and author of "War Without End: American Planning for the Next Vietnam." Eric Prokosh is a staff member of NARMIC (National Action/Research on the Military Industrial Complex), project of the American Friends Service Committee.

FARM PRICES ARE MADE IN WASHINGTON

HON. RICHARD NOLAN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. NOLAN. Mr. Speaker, yesterday, the American agriculture movement formally called a farm strike, urging farmers to sit tight, neither planting, buying nor selling, until Congress and the administration establish 100 percent of parity price supports for farm commodities.

Six months ago, nobody had heard of the American agriculture movement, the grave was being filled on the parity concept, and, outside of rural America, few people recognized how rapidly the farm financial situation was deteriorating. President Carter himself had little inkling of what was in store. When he signed the Food and Agriculture Act of 1977, he called it a great bill, one that would establish price supports at cost of production for most farmers. Unfortunately, the President and his advisers failed to understand the gravity of the situation and they seriously misjudged the mood of farmers.

Between August and December, a series of dramatic tractor demonstrations and vocal protest by farmers who joined in the American agriculture movement focused attention on the farmers' plight, making their story front page news throughout the country. Members of Congress from rural districts could not ignore the unrest seething among the farmers back home. Numerous bills and resolutions calling for full parity were quickly introduced in Congress, although the Agriculture Committees in the House and Senate will not consider the measures until early next year.

In the meantime, the American agriculture movement will be confronted by a serious question: will the organization continue to be effective or will the strike sound its death knell? Even now, many farmers are not committed to the strike and maintaining widespread support will indeed be difficult. When spring arrives, the amount of activity in the fields will quickly reveal whether the strikers' winter resolve will last beyond the planting season.

Before spring arrives, however, American agriculture and other farm organizations will have an opportunity to make their voices heard in Congress. The campaign for parity prices will be waged in Washington during the next 4 months. Farmers must continue to direct public attention toward the need for a better farm bill and they must gain a great deal more support in Congress if any results are to be achieved. In reality, the battle is just beginning.

If a 100 percent of parity bill is to have any chance at all, American agriculture and other farm groups will have to give their friends in Congress a tremendous amount of organizational support. The farm bloc needs to be unified and majority support must be organized in the Agriculture Committee and in the House and Senate—which means garnering support from urban constituencies as well. If Congress passes an 80 percent, 90 percent, or 100 percent of parity bill, or recommends any farm bill improvements at all, depends upon whether the parity campaign can continue to grow and sustain itself.

The Carter administration also must be convinced that the 1977 farm bill needs improving. Administration officials tend to dismiss the American agriculture movement because many of its leaders, according to several reports, represent the largest, well-capitalized farmers. Obviously, the largest farmers with their huge capital investments, are also feeling the squeeze caused by low farm prices. The Carter administration, however, has ignored the hard reality that family farmers are in worse financial shape because they have fewer assets and less access to credit.

Since Government farm policy has not been adequately directed toward strengthening family farming, many farmers have come to doubt that a political solution to the farm problem exists. This attitude does not alter the fact that a host of Government policies relating to agriculture including foreign trade—and with whom we trade—grain reserves, international commodity agreements, set-aside, marketing, credit and taxes, as well as price support programs, influence the price of farm products.

Other segments of the economy realized long ago that politics and Government can be made to work for them. The Federal Government guarantees a profit for bankers by setting interest rates. Defense contractors have renegotiation clauses in their Government contracts guaranteeing them a profit. Big oil companies and utilities are guaranteed a profit margin by Government policy. Multinational firms demand and receive tax exemptions on overseas investment, thus guaranteeing their profits. The steel

industry seeks to guarantee its profits by influencing import and export policy. These powerful, private economic interests have their profits guaranteed by public policy. Family farmers have a right to expect equal treatment.

If American agriculture and other farm groups do not play an active political role in the upcoming congressional debate over farm policy, their supporters in Congress will find it difficult to muster the votes for a better farm bill, let alone a measure establishing 100 percent of parity for family farmers. I believe we will have a better chance to obtain 100 percent of parity if we reorient our price policy toward family farm size units of production. By preventing the big land barons from obtaining windfalls from a 100 percent of parity price support program, we will be able to strengthen family farming without causing the production of agricultural commodities to be concentrated among fewer and fewer producers.

During a previous era of low farm prices and farmer unrest, one of Minnesota's leading farm spokesmen continually reminded farmers that "farm prices are made in Washington." The statement remains as true today as it was four decades ago.

CONGRESSMAN LEDERER'S SPEECH BEFORE THE PATRIOTIC ORDER

HON. MICHAEL O. MYERS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. MICHAEL O. MYERS. Mr. Speaker, I appreciate the opportunity today to bring to the attention of my colleagues the very timely remarks by our distinguished Member RAYMOND F. LEDERER of my hometown of Philadelphia, Pa. Congressman LEDERER's remarks were made before the Patriotic Order, Sons of America, Washington Camp No. 488, on the occasion of the 76th anniversary dinner on December 1, 1977. These remarks exemplify the true patriotic spirit which has been the basis of our country and is carried on by such noble associations as the Patriotic Order, Sons of America.

CONGRESSMAN LEDERER'S SPEECH BEFORE THE PATRIOTIC ORDER, SONS OF AMERICA

Reverend Clergy, Harvey Stoehr, George Baker, and friends. Thank you for giving me this opportunity tonight to be with you for the 76th anniversary dinner celebration of the Patriotic Order, Sons of America, Washington Camp No. 488.

On the way up from Washington, this afternoon, I had the chance to review your booklet entitled "The Genesis of the American Flag: the Symbol of Liberty". It's a pretty interesting little publication and, you may not know this, but I am somewhat of a history buff myself. I read anything I can get my hands on, and I really enjoy reading books about history.

I guess I didn't realize that American history had produced so many flags. If anyone here has not read the booklet, you ought to put it on your "things to do" list. It's fascinating.

I did notice however, that the author left out one very important and historic flag. The "Lederer family flag". It has an Eagle carrying a white rose and the motto, "We take no prisoners and no lame excuses".

I really do not intend to take a great deal of your time tonight with a long speech. I know that you may believe that all politicians talk for great periods of time whenever they get the chance, but I'm different. I want to get around and get a chance to meet each and every one of you before the evening is over, so, with that in mind, I'll try to wrap up my few remarks in an hour, or an hour and a half, at the outside.

As you shall soon discover, I am only kidding.

You know every public speaker would like to be remembered for his words of wisdom, and sparkling wit, mostly, his wit, well, I am reminded that William Shakespeare once wrote that "brevity is the soul of wit," and I can certainly take a hint from the old master.

I do have something to say, however, and it involves this fraternity and, more importantly, the things this organization stands for.

I mentioned your fine booklet about the evolution of the American flag. Throughout the booklet there were little references to the history, and the philosophy of the patriotic order, sons of America, in many ways, I found those asides the most interesting portions of the book.

There was mention of the historic first meeting, back in January of 1848, when the declaration of principles of this organization was adopted. There was a description of the political climate of the period during the McKinley Presidency, frankly, it seemed more like the tumult of the demonstrations of the late 1960's at the height of the war in Vietnam. At any rate, a demonstration in Scranton, Pennsylvania, and an act of desecration of the flag led to a bill outlawing the destruction of our Nation's flag. That bill was drafted by the State president of this order.

There was a page dedicated to the efforts of this organization which led to the preservation of some of our most hallowed national shrines, such as Washington's headquarters at Valley Forge; a monument at Washington's crossing, and the preservation of Betsy Ross's home here in Philadelphia.

But, I was most intrigued by the statements of principle scattered throughout your booklet.

One particular, sums up the message I want to leave with you tonight.

I found this quote on page 28, in case anyone is trying to check up on my facts.

"A creed of the lips, denied and dishonored by the life, merits . . . contempt; and the creed of the true patriot, like that of a man of true piety, will control his every act as a citizen, and direct all of his energy to the promotion of the highest welfare of his country and fellowman."

"A creed of the lips . . . dishonored by the life . . . merits . . . contempt." Think about that, every other tenet: Every other principle of this—and any organization—shall stand or fall on that simple statement.

What good does it do, for example, if one says he honors our flag, or our institutions, or the Constitution, if he fails to understand what those symbols mean?

What does it mean if someone is willing to stake his life on a "Declaration of Independence" that has become mere rhetoric to some?

"We believe that we have the best form of government for the masses on the face of the earth." That quote can be found on page 18.

I believe that, but I am afraid that, at times, people recite passages similar to that quotation without ever understanding what it means.

Does that mean that our Government can do no wrong? No, it does not. It means, I believe, that our Government is supposed to represent the will of our people—as diverse as we are. It means that our people, unlike citizens around the world, are free to express opinions; to debate and disagree

with Government policy; they are free, in short, to dissent, not to destroy; but to dissent, throughout our history, men—and women—have shed their life's blood for that right: That sacred freedom.

I am concerned about America. I am concerned about our spirit. I am also optimistic about our future.

We have come through a terrible period in our Nation's history. We are now at a turning point. We have squandered much of our public confidence in the rice patties of Vietnam and in the oval office of the Nixon administration. It is time, I believe, to re-evaluate our principles, as a country, a time to trace our common roots and dedicate ourselves anew to the spirit of the American Revolution.

Not far from this historic church stand Penn Treaty Park. It is time to remember the peaceful Quaker who led his people to this area to escape the tyranny of an oppressive country. William Penn came to this land to pursue the goal of basic "human rights".

From my office window I can see the Liberty Bell and Independence Hall and I am reminded daily of the brave men who swore to sever these United States from the tyranny of "taxation without representation."

We have been through many wars and "rivers of blood" and each time we have seen America defend the freedoms we take so casually during times of peace.

No war symbolized more of this country's values than the Civil War. No President expressed our national purpose better than Abraham Lincoln when he said: "It is for us, the living, rather to be dedicated here to the unfinished work which they who fought here have thus far so nobly advanced. It is rather for us to be here dedicated to the great task remaining before us—that from these honored dead we take increased devotion to that cause for which they gave the last full measure of devotion: That we here highly resolve that these dead shall not have died in vain: That this Nation, under God, shall have a new birth of freedom: And that Government of the people, by the people, and for the people, shall not perish from earth."

Take those words, and savor them. Try to understand again the full meaning and value of each phrase—each word. For they sum up what we stand for.

That's what the word "patriotism" stands for. It is not an empty word. Not a motto to be mouthed.

We must ask ourselves, what does America mean to us? What does it mean to men and women around the world?

We are noted for our technology, for building the better mouse trap, we take pride in our accomplishments. Is that what sets us apart from other nations? We hear a lot of talk about the stock market, about the foreign trade deficit: About the gross national product. We take these indicators of economic health, far too often, as indicators of national health.

Just what is the GNP? It does measure many important things about our people. It measures our output, our productivity, but for too long, we have seemed to surrender personal excellence and community value to the mere accumulation of material things.

The gross national product—if we judge the United States of America by that standard—that gross national product counts air pollution, and cigarette advertising, and ambulances to clear our highways of carnage.

It counts special locks for our doors, and jails for the people who break them.

It counts napalm and nuclear warheads and special assistance to foreign countries that even now plan subversion of our own government.

It counts Son of Sam's .44 caliber weapon, and the television shows which glorify violence in order to sell toys to our children.

Yet the gross national product does not

allow for the health of our children, the quality of their education, or the joy of their play.

It does not include the beauty of our poetry, or the strength of our marriages, the intelligence of public debate, or the integrity of our public officials.

It measures neither our wit, nor our courage, neither our wisdom, nor our learning. Neither our compassion, nor our devotion to our country.

It measures everything, in short, except that which makes life worthwhile, and it can tell us everything about America, except why we are proud that we are Americans.

For the historians here tonight, if you were listening carefully you may have discovered that I took you from Lincoln to a paraphrasing of a speech Robert Kennedy gave shortly before his assassination.

I think it's important to remember the sacrifices made by our people—not just by Presidents and Presidential candidates—but by ordinary citizens as well, and it's important to understand, and re-dedicate ourselves to the true meaning behind our sacred symbols. In that way, we can surely recapture the spirit of 1776 and stand as a beacon to the oppressed throughout the world, once again. And surely, we "can make it impossible" as your principle states, "for anyone to live under the protection of the flag of the United States who does not honor and revere it . . ."

Thank you.

U.S. LEADERSHIP IN NUCLEAR FUEL REPROCESSING IMPORTANT FOR CONTROL OF NONPROLIFERATION

HON. FLOYD SPENCE

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. SPENCE. Mr. Speaker, on December 7, the Washington Post printed a front page story titled "Brazil Adamant on Nuclear Policy." The story provides an interesting account of Secretary of State Vance's recent visit to Brazil and the continuing failure of administration policy with regard to forcing other nations to forego nuclear fuel reprocessing.

The fact that foreign nations like Brazil clearly intend to move ahead expeditiously on nuclear fuel reprocessing development is the best example I can think of for an active U.S. program in reprocessing. U.S. leadership is important to develop an international framework of safeguards for reprocessing as well as to develop those proliferation-resistant variations of reprocessing that will prevent diversion of plutonium for weapons purposes. For the United States to maintain such a position of leadership, it will be absolutely essential to continue to use the Barnwell Nuclear Fuel Plant in my district in South Carolina. Congress has authorized and appropriated a fiscal year 1978 program at Barnwell which is a start in the right direction. To maintain our world leadership position will require continued use of the Barnwell facility and staff.

I include in the RECORD the text of Post article, following my remarks:

BRAZIL ADAMANT ON NUCLEAR POLICY

(By Karen DeYoung)

BRASILIA.—Should Brazil persist in its plans to build a nuclear reprocessing plant, Secretary of State Cyrus Vance warned during a visit here two weeks ago, it runs the grave

risk of triggering a nuclear arms race with neighboring Argentina, which already has stockpiled enough uranium waste to produce several hundred pounds of bomb-building plutonium once it develops the reprocessing technology.

The message he brought from Buenos Aires, Vance said, was that if Brazil would renounce reprocessing, Argentina would likely do the same.

"How childish," a senior official in the Brazilian Foreign Ministry said after Vance had gone. "He probably said the same thing to Argentina." Brazil, the official said, can handle its relations with Argentina without U.S. help, thank you.

In any case, Vance added during the discussions, if Brazil defers developing its own reprocessing technology the United States could then offer all manner of substitutes—perhaps including the secrets of thorium, a uranium-like fuel found in natural abundance in Brazil.

Nothing but vague promises, the Brazilian, who was present during the discussions, said later. "How do you say it?" his aide asked. "A bird in the hand is worth two in the sky?"

Besides, the official said, West Germany, a country that has been much more generous with its nuclear technology, has its own thorium research program. "The Americans think we don't know anything," he added.

The end of round three in Brazil's nuclear "disagreement" with the United States has left Brazil, by its own account, feeling quite self-satisfied. While the United States has not given up its struggle to keep reprocessing technology from Brazil, it has, a Foreign Ministry spokesman said, "learned the error" of what Brazil considers U.S. heavy-handedness.

Brazil now seems almost taken aback at what it regards as the overwhelming success of its audacity. The Brazilians feel they have proven, for the first time, that a developing country, highly dependent on U.S. trade and support, can strongly disagree and live to tell about it.

Round one was a visit to West Germany early this year by Vice President Mondale to persuade the Germans to cancel the reprocessing part of \$10 billion, eight-reactor sale to Brazil on the ground that the Carter administration considers reprocessing technology too dangerous to spread around the world. Brazil, which was not consulted during the talks was furious. West Germany refused to cancel.

Round two, a visit here last March by Deputy Secretary of State Warren Christopher, was by all accounts "disastrous." After seven hours of rancorous talks, the Brazilians said, Christopher presented a pre-written joint communique outlining a curtailed Brazilian nuclear energy program. Brazil refused to sign. Christopher abruptly got on a plane back to Washington, and bilateral relations went into a deep freeze.

Then came Vance, calm and businesslike. The idea, U.S. negotiators said, was to convince Brazil, on a purely technical level, that reprocessing—the procedure whereby plutonium is separated from the uranium wastes of nuclear reactors—is inefficient and unnecessary. More importantly, the U.S. argument continues, highly volatile plutonium is so dangerous to have around that even the United States has banned construction of reprocessing facilities.

In response, Brazil tried a new tactic. The Brazilians smiled, nodded sagely, said they would take it all into consideration and cordially sent Vance on his way with a brass band, an airport red carpet and a promise to talk again.

"Their objective was to get him back on the plane as soon as possible without opening their mouths," a Latin American diplomat here said. "They were very satisfied that Vance didn't get anything out of them."

Discussions will doubtless continue this spring, when President Carter picks up the southern hemisphere leg of the 11-country tour he postponed last month. "We hope we can convince him," the Foreign Ministry official said.

Carter does not want Brazil, or any other country, to have reprocessing technology. While reprocessed plutonium can be used as a reactor fuel, thus theoretically providing a virtually limitless fuel supply, it can also be converted into nuclear weapons fuel much faster than ordinary enriched uranium. Carter believes it is virtually impossible to safeguard large plutonium stockpiles.

Current international nuclear safeguards amount to regular international inventory checks of nuclear fuels and wastes. Plutonium could quickly be diverted or stolen, Carter and others believe, and made into a bomb before anyone would discover it was missing.

U.S. officials say privately that they are less worried about countries like West Germany and Japan developing their own reprocessing technology than they are about a Third World country, with no substantive nuclear research program of its own, getting reprocessing "cheap and easy" through technology transfer.

Brazil finds that attitude unfathomable. "We have always been a friend. They had a war with Japan in this century, and they say they're not worried about Japan," the ministry official marveled.

Besides, he said, "We are currently negotiating with the Dutch" on a plan that will prove plutonium can be safe-guarded. "We are going to show the world . . . The U.S. believes very much in the information it has. Because they are very developed, they are sometimes inclined to think they have discovered the truth."

He pointed to the fact that while the United States originally objected to both reprocessing and enrichment technology being transferred to Brazil, it has since decided that enrichment is safe after all.

While reprocessing is only a minor part of Brazil's energy scheme for the next 10 years, the resulting conflicts have made it the symbol of what Brazil considers a life-and-death struggle to continue a monumental development program begun more than a decade ago.

That program, which brought phenomenal yearly growth rates of 10 per cent, took a sudden dive with the 1974 quadrupling of oil prices.

Brazil now imports more than 80 per cent of the oil it uses, at a cost of more than \$300 million a month. To lessen oil dependency, Brazilian experts have developed an energy plan they predict will reduce oil's share of energy consumption from nearly 44 per cent in 1974 to little more than a third by 1986.

The slack will be taken up by hydroelectric capability, through a monumental series of dams now operating, under construction, or planned.

A large-scale switchover to nuclear power is to come much later. Brazil's first power reactor, called Angra I, a 600 megawatt facility now under construction outside a small village on the South Atlantic, will not go into operation until 1978. Three more are scheduled to be on line by 1985, when nuclear energy will still only provide 4 per cent of Brazil's power requirements.

While Brazil is to start enriching its own uranium fuel for those reactors in 1979, thanks to German blueprints for an enrichment facility, explorations for domestic uranium resources have proved nearly as disappointing as the search for oil. To reach the goal of 85 per cent nuclear fuel self-sufficiency within 10 years, the Brazilians say they need reprocessing.

DID HOUSTON SEAL ERA DOOM?

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. HANSEN. Mr. Speaker, I submit for the RECORD an article by Associated Press writer Quane Kenyon appearing in the Idaho State Journal December 2, 1977, reporting an interview with an Idaho delegate to the Houston International Women's Year Conference who supports ERA but fears the excesses exhibited at the gathering may have doomed the amendment:

KADING SAYS WOMEN'S MEET DOMINATED BY THE CITIES

BOISE, IDAHO.—The International Women's Year conference in Houston came out strongly in support of the proposed Equal Rights Amendment, but actions at that gathering actually may make it impossible for the amendment to win ratification, says delegate Hope Kading of Boise.

Mrs. Kading, who was described as "a political activist", was a member of the Idaho delegation to Houston and chairwoman of the Idaho state conference last May. She appeared before the Idaho Press Club Thursday.

She said delegates from rural states such as Idaho found the convention dominated by the large, urban areas. As a result, she said, delegates were forced to accept many proposals and programs they didn't especially like.

"Some political issues were forced upon us, not women's issues, which will be very unpopular in those states which still haven't ratified the ERA," Mrs. Kading said. "In the remaining states those issues will be political albatrosses around the necks of those trying to win ratification."

She described the Houston convention as a "traumatic, emotional event" which will have ramifications for years.

Overlooked in squabbles over spending by the national commission is the fact that some of the \$5 million went for research such as a survey of laws on women in all 50 states, she said.

Mrs. Kading said the Idaho delegation was dismayed to find that the final "national plan of action" was nearly one-third full of proposals and ideas that didn't come before the state conventions.

"The fact that there was no time to study them, and there was little time during the convention to debate them, made us a little miffed," she said.

Opening-day exercises and speeches were "an enormously positive experience," Mrs. Kading said, but after that the convention wasn't run well.

She said a coalition of minority groups "almost blackmailed" convention officials into choking off debate. Also, there was no chance to separate questions, so the Idahoans could vote against parts of proposals.

"We had to swallow voting for 10 parts that were palatable along with one part that was objectionable," she said. "It's not the first time I've seen people get drunk with power."

"I'm terribly proud of the Idaho delegation. We set an example for the rest of them. There were very few people who had the right to stand up and vote their personal choice. We did," she said.

Mrs. Kading said after the convention, she felt the women's movement had been politicized in a few emotional areas could definitely damage the movement and affect its input in more important areas," she said.

She said the convention also got into a lot of discussion about social issues, which were not particularly women's issues.

TRIBUTE TO THE REVEREND
EDWARD A. SHAMON

HON. WILLIAM F. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. WALSH. Mr. Speaker, today, I would like to pay tribute to a much-respected and well-loved pastor, who was recently honored by more than 1,000 parishioners, family, and friends on the occasion of his 35th anniversary of his ordination to the priesthood.

The man of whom I speak is the Reverend Edward A. Shamon, a life resident of Auburn and pastor of St. Aloysius Church. There are so many reasons he is well loved by all who come in contact with him—his rich sense of humor, his down-to-Earth manner, his spiritual leadership, to name a few. He is that rare combination of man, skilled in the financial aspects of running a parish and in serving as friend and confessor to his parishioners.

Father Shamon, who began his studies for the priesthood at St. Andrew's Preparatory Seminary and St. Bernard's Theological Seminary where he obtained a bachelor's degree in philosophy and theology, was ordained to the priesthood on June 6, 1942. He celebrated his first solemn Mass at St. Aloysius, the parish of his birth, the following day, assisted by his twin brother, Father Albert Shamon.

His abilities are not only in the spiritual and financial realm, however. Father Shamon played semiprofessional football with the Nemolites prior to entering the seminary. And his leadership skills were evident in high school where he was president of the senior class.

Perhaps one of his proudest accomplishments is his successful endeavor to financially rebuild St. Lawrence Church in Greece, N.Y. Given some swampland, Father Shamon not only built a new church, but paid off a \$25,000 debt the parish had in only 2 years.

It is no wonder, therefore, that people from all over New York State attended the reception in his honor earlier this month, and I think it is only fitting to acknowledge his contributions to the central New York community today.

TRIBUTE TO SENATOR JOHN
MC CLELLAN

HON. GEORGE H. MAHON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 1, 1977

Mr. MAHON. Mr. Speaker, on December 1, I had an opportunity to pay brief tribute to the late JOHN L. MC CLELLAN of Arkansas. I now want to expand my efforts to pay tribute to the memory of this great American.

JOHN MC CLELLAN and I had been friends since the convening of the 74th Congress in January 1935, both of us having been elected in the November

election of 1934. We were part of a group of 100 new House Members.

JOHN MC CLELLAN left the House in 1938, but he returned to Congress as a Member of the Senate in 1943. His career in the Senate was outstanding. When issues of good government, law and order, and fiscal responsibility were in the balance, no one ever had to ask where JOHN MC CLELLAN stood. He was a tower of strength through the years as a U.S. Senator.

When Mr. MC CLELLAN became chairman of the Senate Appropriations Committee in August 1972, we were closely associated on many matters, both routine and matters of great moment. We were not only chairmen of the Appropriations Committees of our respective Houses, but chairmen of the Defense Appropriations Subcommittees of those two committees. It was a pleasure and a privilege to deal with a man who was so perceptive, so cooperative, and so effective, in seeking to promote the interests of the United States.

Others have spoken at length and in more detail about the life and career of JOHN MC CLELLAN, but I wanted to add these further words of tribute to the memory of a great American.

SOME NEGLECTED MONETARY
CONTRIBUTIONS OF CONGRESS-
MAN WRIGHT PATMAN

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. REUSS. Mr. Speaker, Robert E. Weintraub, a valued member of the House Committee on Banking, Finance, and Urban Affairs, has written a fine article about the late and beloved Wright Patman in the November 1977 Journal of Money, Credit, and Banking, published by the Ohio State University Press. I am pleased to include the Weintraub essay:

SOME NEGLECTED MONETARY CONTRIBUTIONS
OF CONGRESSMAN WRIGHT PATMAN, 1893-1976

(By Robert E. Weintraub)

(Abridged by the Author)

Wright Patman's legislative causes often were lost causes. As Congressman Henry Reuss, who succeeded him as chairman of the Banking Committee, put it, "There were many battles he fought and could not win; the never-ceasing war against high interest rates, which he saw as the mortal enemy of the farmer and the small businessman and the consumer; the fight to make the Federal Reserve more accountable to the public." Nonetheless, he sponsored a substantial body of legislation that was enacted into law; often in opposition to the administration in power, regardless of party. The list of his legislative successes include: In 1934, the Federal Credit Union Act, creating the system of Federal Credit Unions; in 1936, the bill authorizing payment of the World War I veterans' "bonus;" also in 1936, the Robinson-Patman Act, which, though intended to protect small business from "unfair" pricing by larger rivals, probably has served to prevent vigorous competition; in 1946, the Veteran's Emergency Housing Act, and the Employment Act; and finally the Bank Holding Company Acts of 1966 and 1970. In addition,

as Senator Proxmire said, "many of his achievements were things that did not happen, special interest initiatives that failed because the Congress had a watchdog like Wright Patman."

Congress has oversight, as well as legislative, responsibilities. Overseeing the activities of the executive and regulatory agencies was what Wright Patman loved best. In 1932, he introduced a resolution to impeach Treasury Secretary Andrew W. Mellon for "high crimes and misdemeanors." As described by Eileen Shanahan in the New York Times obituary on Mr. Patman, "President Hoover named Mr. Mellon Ambassador to Britain before the House Judiciary Committee could complete its investigation of the charges." Forty years later, "He was," as Speaker Albert pointed out, "the first Member of the House of Representatives to undertake the impeachment of Richard Nixon."

Wright Patman's oversight activities centered on the Federal Reserve and banks. He was known primarily for his unrelenting (some would say "indiscriminate") opposition to "high" interest rates; his repeated investigations of (some said "carping about") Fed spending; his frequent charges that banks exercised undue and improper influence over the Fed; and his complaints about banks deserting the nation's small towns, and failing to allocate credit to small farmers, small business, and consumers, being unwilling to take the risks obligatory in their charters.

Many considered him a crank and crackpot because of these opinions. But these are the wrong words. Mr. Patman was neither ill-tempered nor eccentric. He was serious and persistent in his views. To fault him, it can be said that he was often a nag and nit-picker. His nagging and nit-picking, however, were not without purpose. He wanted to rivet public attention on banking trends, and on monetary policy and those who make it. He wanted people to know that their economic well-being hinged on their access to banks and on the wisdom of monetary policy. He wanted them to know that monetary policy was decided in secret by persons who, by virtue of the Fed's freedom from normal governmental appropriations and audit process, and their long tenures, were de jure unaccountable for their decisions, and often erred grievously. Nagging and nit-picking were his spotlights, his ways of overcoming the public's natural resistance to statistics and technical questions.

Wright Patman's views on monetary policy are difficult to summarize. His congressional career covered nearly half a century, from the Depression until 1976. His views both on the importance of monetary policy versus fiscal policy and the importance of money supply versus interest rates changed with the times. In the early and middle 1930s, Federal Reserve structure and conduct of monetary policy were widely and hotly debated. Wright Patman was a forceful and skillful advocate of legislation to provide for controlled money growth. He believed that the Depression persisted because of underconsumption and was rooted in deficient money supply. He advocated controlled expansion of the currency component, tied to fiscal spending, to increase consumption and get us out of the depression. By the end of World War II, however, he had become a Keynesian. He still feared the return of underconsumption but now stressed purely fiscal measures to avoid it and keep the economy fully employed.

In the early 1950s, when the policy of pegging yields on government bonds occupied center stage, Mr. Patman switched his attention to interest rates and what he perceived to be avoidable, if not conspiratorial, increases. By the 1960s money supply changes were again being widely and hotly debated; and, though he never abandoned his quest for lower interest rates, Wright Patman fre-

quently made common cause with monetarists during the remaining years of his career. He provided an important political forum for monetarist views on several occasions. He recognized that their criticisms of Fed policies lent force to his charge of mismanagement. In addition, he knew that sometimes (before peaks in business activity) when he criticized the Fed for pursuing "tight money" policies that raised interest rates, monetarists were critical, too. More than once the Fed has pursued policies that unnecessarily caused destructively large (if short-lived) increases in interest rates in association with sudden sharp decreases in money growth. Such policies were pursued, for example, in 1920, 1931, 1953, 1957, 1959, and most recently in 1974.

To more fully capture the scope and roots of Wright Patman's positions on monetary policy, the remainder of this paper discusses four distinct episodes in his career: the Bonus bill of 1936, the Employment Act of 1946, the Accord of 1951, and his oversight of the Fed as chairman of the Banking Committee in the 1960s and 1970s.

In 1924, Congress passed the World War Adjusted Compensation Act providing compensation to war veterans for wartime dislocations at rates of \$125 a day for service overseas and \$1 a day for stateside service. Veterans were not paid in cash. They were given nontransferable, nonnegotiable IOUs, called "Adjusted Service Certificates," payable in 1945, including 4 percent compound interest dating from 1925. The average maturity value was \$1,000. A sinking fund was established to cash the certificates in 1945. In 1931, Congress passed over President Hoover's veto a bill sponsored by Mr. Hawley of Oregon to permit veterans to borrow up to 50 percent of the maturity value of the certificates at 4.5 percent interest, which was reduced to 3.5 percent in the next Congress. Wright Patman voted for the Hawley bill. But as soon as it was passed, he announced he would fight for immediate payment of the maturity value of the certificates (after deducting loans) and cancellation of all accrued loan interest. The fight was won in 1936 when Congress passed the Vinson-Patman-McCormick bill over President Roosevelt's veto. Veterans (or their heirs) were given new nine-year bonds that were convertible into cash at any time. Cash distributions were financed in the usual manner, i.e., by selling securities to cover incremental deficits. As enacted into law, the economics of the so-called Bonus bill is similar to that of transfer payments and tax rebates. A year earlier, however, the problem came close to being resolved with major monetarist-like provisions included in what was known in both House and Senate as the Patman (Bonus) bill. It marked the high tide of the "stable money" movement.

During the early 1930s, Congress worked its will on a number of bills providing for the issue of additional currency by open market and other operations in such amount as was necessary to increase the index of wholesale prices back to the 1921-29 (or, alternatively the 1926) average, and thereafter to control the issue of currency (sometimes the reference was to currency plus check deposits) so as to stabilize the index at that level.

The Patman (Bonus) bill was an end run that almost succeeded in incorporating variants of the two main principles of the stable monetary movement of the 1930s into law. First, it provided for reflation. The Treasury would be required (not merely authorized as in the case of the Thomas Amendment to the Agricultural Adjustment Act) to pay for the Adjusted Service Certificates, by having engraved and printed new non-interest-bearing, tax-exempt, legal tender Treasury notes; i.e., greenbacks. Second, the Patman (Bonus)

bill provided for contracting Federal Reserve notes upon a finding by the Secretary of the Treasury that it was necessary to do so to maintain the index of wholesale prices at the 1921-29 level. His bill did not, however, provide for any subsequent currency expansion (beyond implementing the bonus). It was focused on current problems and fears.

The bill passed the House on March 22, 1935, and the Senate on May 7. President Roosevelt vetoed it on May 22. The House overrode the veto the same day by a vote of 324 to 98 against. However, the president's veto was sustained by the Senate the next day, 54 voting for overriding but a $\frac{2}{3}$ vote being necessary to override. Excerpts from the floor debates and FDR's veto are revealing:

Mr. PATMAN. We propose under H.R. 1 to permit a veteran to deposit his Government obligations and receive "new money" in United States notes in return for the remainder due (Congressional Record, March 19, 1935, p. 3991). . . . The next move toward prosperity will have to be made by the consumers. The farmers and wage earners are the principal consumers. The additional money we propose to place in circulation will cause commodity prices to rise, which will enable farmers to purchase what they need, thereby creating an incentive for manufacturing industries to employ labor and produce more (p. 4000). . . . There is estimated to be a remainder due to the 3,531,800 veterans the sum of \$2,015,162,456.76, which includes the amount due the ones who have not negotiated loans on their certificates. (p. 4002).

Mr. PIERCE (California).—Under the Patman bill the Secretary may retire reserve notes if he believes there is too much inflation, but I do not believe he will find it necessary to exercise any such power. The two thousand million dollars of currency that will be necessary to liquidate this debt will be less than 20 percent of the shrinkage of bank deposits since October 1929. (p. 4222).

The Veto Message:

President ROOSEVELT.—The Treasury notes issued under the term of this bill we know from past experience would return quickly to the banks. We know, too, that the banks have at this moment more than ample credit with which to expand the activities of business and industry generally. (Congressional Record, May 22, 1935, p. 7994.)

As was earlier noted, the bonus issue was resolved in January 1936 when Congress passed over FDR's veto the Vinson-Patman-McCormick bill, which, however, did not contain the monetarist-like provisions of the Patman (Bonus) bill.

With 3 events—the failure of the Senate to override FDR's veto of the Patman (Bonus) bill, enactment into law of the 1935 Banking Act restructuring the Fed, and publication of Keynes's General Theory, the money issue once again became dormant politically in the U.S., as it had so many times in the past, for example, after the election of McKinley. Fiscal policy soon dominated center stage in economic policy debates. Wright Patman adjusted his economics to the new times. In February, 1945, he introduced H.R. 2202, the Full Employment Act of 1945, forerunner of the 1946 Employment Act.

The Patman employment bill provided that the president shall annually transmit to the Congress a "National Production and Employment Budget." This budget would estimate the volume of dollar demand ($C+I+G$) required to provide the full employment volume of production at the expected level of prices, and also the expected volume of dollar or aggregate demand. Shortfalls between expected and require demand would be regarded as deficiencies in the budget, and the president would be required to recommend

to the Congress a program including Federal Reserve actions for encouraging increased private investment and expenditure "which will promote increased employment opportunities by private enterprise." To the extent that private spending was deemed insufficient, "The President shall transmit a general program for such Federal investment and spending as will be sufficient to bring the aggregate volume of investment and expenditure . . . up to the level required to assure a full employment volume of production."

The Employment Act of 1946, as passed, differs in several details from the Patman Full Employment Act of 1945. In regard to goals, the 1946 Act declared it national policy "to promote maximum employment," versus the Patman bill's provisions "to assure continuing full employment." However, the difference in language is not substantial. The major difference in the two bills, rather, centered on procedure. The Patman bill provided that the president transmit a budget, i.e., a specific fiscal program to achieve full employment. The Employment Act as passed provided only that there be transmitted an economic report.

The Federal Reserve is, of course, bound by the goals of the Employment Act. In this tie, it may well be that Wright Patman has had extraordinary influence on monetary policy since 1945. Though monetary policy has been worse than it needed to have been since 1945, none can deny that since the Employment Act was passed, we have had no great monetary contraction as we did in the 1930s, and perhaps as a result the specter of underconsumption has not been a problem and we have avoided the mass unemployment of the 1930s.

During World War II and continuing through 1950, monetary policy was constrained by the Federal Reserve's commitment to peg yields on government securities. The Korean War set off consumer buying and defense-related investment booms that spilled over into credit markets and made it impossible to continue the peg without massive open-market purchases. In the second half of 1950, the problem was manageable because of a gold outflow to finance imports. But as the year turned, the problem became a crisis.

On March 4, 1951, the Fed and Treasury announced that they had reached "full accord with respect to debt-management and monetary policy to be pursued in furthering their common purpose to assure the successful financing of the government's requirements and, at the same time, to minimize monetization of the public debt." Mr. Patman maintained that the accord merely lifted the peg on long-term governments to 2.75 percent, and that the Fed was not freed from this commitment until the Eisenhower administration freed it. Judging by what happened from the accord until spring 1953, Mr. Patman's view appears correct. First, Federal Reserve Board Chairman Thomas B. McCabe, who with Governor and ex-Chairman Mariner Eccles and New York Fed President Alan Sproul had vigorously opposed the support policy resigned and was replaced by William McChesney Martin. Mr. Martin had represented the Treasury during the dialogues leading up to the accord. Second, the yield on long-term government bonds did not rise above 2.75 percent until 1953, and in 1951 and 1952, the Fed increased its portfolio of government securities by \$4.4 billion. It is difficult to explain these purchases except in terms of pegging the bond market, especially since M₂ growth was faster in 1952 than in 1951 and faster in 1951 than in 1950.

But the accord marked the beginning of the end. In spring 1953, the Open Market Committee finally formally ruled out using open market purchases to peg yields. In

December 1952, the yield on long-term averaged 2.75. In June, it reached 3.13. To Wright Patman, these changes in policy and yields were anathema.

Wright Patman opposed letting yields on government debt rise, even though he recognized that pegging them had awesome inflationary potential. His solution was to impound this potential by compelling banks to pay interest on demand deposits to induce people to hold higher money balances.

Mr. Patman later sponsored legislation to permit the payment of interest on demand deposits as a pre-Nader consumerist measure. But his unwillingness in 1952 to accept any rise in yields on government debt caused him to miss what in retrospect was a great opportunity to fight for establishment of a stable money growth policy focused on the long run. Such a policy surely would have made our economy more stable and less inflationary than it has been, if it had been adopted in the early 1950s and pursued thereafter. Ironically, this would have promoted lower interest rates than the policies that were pursued produced.

Wright Patman became chairman of the House Banking Committee in 1963. From January to April, 1964, he held extensive hearings on the structure of the Federal Reserve and the conduct of monetary policy under the auspices of the Subcommittee on Domestic Finance. Compelling testimony was heard in support of the monetarist contention that the economy's past recession cycles were due in large part to the Fed's causing or allowing money supply (M_1) to grow below the economy's estimated minimum growth potential; for example, in 1956, 1957, and early 1958, between the third quarter of 1959 and the second quarter of 1960, and in the second half of 1962. The testimony also provided strong support for the view that structural reforms of the Federal Reserve were needed to purge the conduct of monetary policy of money market myopia, and to reduce the risk of perpetuating error.

When the hearings were over, the subcommittee's majority released proposals to restructure the Fed and the conduct of monetary policy. Briefly, the proposals provided for the following:

1. Retirement of Federal Reserve stock; covering into the Treasury income received by Federal Reserve banks; authorizing their expenditures by normal appropriations process and requiring GAO audits.

2. Elimination of the "fair presentation" provision in selecting governors; reducing the number of governors to five and their terms to five years (but allowing for reappointment); making the term of the chairman of the board of governors coterminous with that of the president and vesting all open market powers in the board.

3. Requiring the President to set forth annually guidelines concerning monetary policy "including the growth of the money supply, as defined by him, necessary to achieving the goals of maximum employment, production, and purchasing power of the Employment Act of 1946," and expressing the sense of Congress that the Federal Reserve operate to facilitate the achievement of the president's monetary policy.

4. Transferring the Fed's bank supervisory functions to the comptroller of the currency, the FDIC, or a newly created federal banking authority.

Mr. Patman incorporated these proposals in H.R. 11, which he introduced in the first session of the 89th Congress. In the remainder of his career, he attempted without success to achieve these reforms, sometimes one by one, sometimes as a package. I believe it can be said with some degree of accuracy that the work that he did very definitely paved the way for passage of House Concurrent Resolution 133 in March of 1975. The resolution (incorporated in the Federal Reserve Act

by P.L. 95-188) expresses the sense of the Congress that the Federal Reserve set monetary growth targets "commensurate with the economy's long-run potential to increase production, so as to promote effectively the goals of maximum employment, stable prices, and moderate long-term interest rates." Pursuant thereto, the Fed sets and discloses monetary growth targets for the year immediately ahead on a quarterly basis. Milton Friedman said, "Though superficially innocuous, the resolution represents the first time since the Fed began operation in 1914 that Congress has (1) specified monetary and credit aggregates as the Fed's immediate target, (2) enjoined it to produce steady monetary growth in line with output growth, (3) required it to state its objectives publicly in advance, and (4) required it to justify publicly any departure from them. All four elements are major changes".

Since March 1975, the Fed has provided for relatively steady monetary growth in line with the economy's potential to increase production. Undeniably, the Fed still pays too much attention to money market variables. But now, it looks a year ahead four times a year and determines a course of action in regard to money supply, which because it is publicly disclosed, it must take seriously.

COMMENTS ON TEXAS A. & M. UNIVERSITY'S CENTER FOR EDUCATION AND RESEARCH IN FREE ENTERPRISE

HON. RAY ROBERTS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. ROBERTS. Mr. Speaker, we in Texas have always been justifiably proud of our system of higher education. In diverse areas such as research associated with the sea, energy, mineral resources, and water and food production, I would particularly like to draw my colleagues' attention to my alma mater, Texas A. & M. University.

Texas A. & M. has again set national precedent by establishing a center dedicated to raising economic literacy and increasing citizen awareness of the importance of individual freedom to the strength and vitality of our economy. I am doubly proud to announce that the center, the Center for Education and Research in Free Enterprise, earned for Texas A. & M. this year the coveted American Eagle Award of the Invest-In-America National Council, Inc.

This distinguished center had somewhat humble beginning. The initial effort was the 1974 American Economy Institute at Texas A. & M., a small summer training program of 15 high school teachers. That small institute has now grown into a major new educational effort providing new leadership from the academic world and mounting a comprehensive campaign in the interest of preserving and protecting our national economic free enterprise system.

The combined thinking of experienced and knowledgeable individuals from business, foundations, Government, and academia went into the formation of the center. A board of consultants has been established to oversee the operations of the center. The board includes

five academic deans at Texas A. & M. University and five alumni who are also outstanding leaders from the business community.

In keeping with its purpose of promoting free enterprise, the center is not supported by State-appropriated funds. It depends exclusively on the private sector of our economy—businesses, foundations, and individuals—for its funding. Initial funding for the center was provided by some 60,000 former students of Texas A. & M. University, men and women dedicated to the preservation of our free enterprise system.

It is the philosophy of the center, and one I deeply share, that America is the world's last, best hope for freedom and prosperity among nations. Whether we continue as a free prosperous society, whether we remain a symbol of hope for others and a leader among nations, depends largely upon whether we are successful in achieving economic enlightenment.

I commend Texas A. & M. University for accepting this challenge and turning its energies and resources to the development of economic education and research programs of the highest quality that will help young people to develop and maintain a sense of pride in their heritage and to value their political and economic freedom.

HOUSTON AND THE IWY PEP RALLY

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. HANSEN. Mr. Speaker, for anyone who needs a review of IWY activities and how they relate to reality, I commend the following article by columnist Patrick Buchanan which appeared in the Washington Weekly on December 8, 1977:

WHERE JIMMY SHOULD FILE THE HOUSTON AGENDA

WASHINGTON.—One day soon Ms. Bella Abzug and other grizzled, battle-weary veterans of the National Women's Conference will be arriving at the White House to present Jimmy Carter with their "National Plan of Action."

If Mr. Carter is thinking of a second term, he will thank them for their work, promise to study the agenda, give the girls some milk and cookies, and send them on their way. Then, he will call in Hamilton Jordan and tell him to file that 25-point "Womandate" on the same shelf where the Scranton Commission Report and the Kerner Commission Report are gathering dust.

Why? Because the National Plan of Action, adopted in Houston, points Mr. Carter in precisely the opposite direction from where the national majority is headed.

Some weeks ago, Newsweek Magazine ran a cover story on the "New Conservatism" that appears to be sweeping the country. Yet, what the Houston confab produced was a warmed-over hash of the radical liberalism that generally stunk up the '60s.

Item: The Houston delegates voted almost four-to-one for the Equal Rights Amendment. Yet, when put to the vote in New York

State, ERA was crushed by a margin of 400,000 votes.

Item: The Houston Convention endorsed abortion-on-demand. Not only does this contradict the president's commitment and convictions, it runs against the trend of court and congressional opinion.

Item: The Houston conclave approved the same sort of gay rights provision that Dade County rejected two-to-one only weeks ago.

Here is how one Florida delegate, Virginia Harlan, described the "sickening . . . nauseous" scene at the Sam Houston Coliseum when the "sexual preference" plank was adopted:

"The demonstration after the vote was disgusting. Most of the pro-family delegation got up and walked out. Other delegations stood with their back to the chair in protest. The lesbian element here was unbelievable—they were hugging and kissing each other, running through the aisles with their fists raised in a sign of militance."

And The New York Times would have us believe those 2,000 delegates to Houston "fairly accurately reflect the general female population" in the United States.

Some of the proposals adopted, such as enforcement of the Federal Equal Credit Opportunity Act of 1974, were non-controversial. On balance, however, the National Plan of Action reads like a political script written by Ms. Bella Abzug, ring mistress who cracked the whip at the Houston circus.

Yet we know from the returns in the New York mayoralty contest that the politics of Bella Abzug are on the wane in even the most retarded of political precincts. Though she started the race with almost 40 per cent of the vote, Bella ended out of the money in the Democratic Primary, running a poor fourth. The winner: An apostate liberal named Ed Koch who captured the fancy of the Big Apple with the enthusiasm with which he discussed the societal benefits of rewiring the electric chair.

On the final day of the Houston Conference, the conservatives walked. The breaking point: the convention's demand that the American taxpayer fund yet another of these feminist pep rallies in the future.

Well, on this one, once is more than enough. The National Women's Conference came about through the good offices, if you will, of Gerald R. Ford in 1975 who asked \$5 million to underwrite last month's nonsense. Next time ignorance and inexperience will be no excuse. Any Congressperson who votes another dollop of tax dollars to further this kookery should be retired—without regard to race, creed, color, sex or national origin.

THE CONFERENCE COMMITTEE ON ENERGY SHOULD PROVIDE FOR INCENTIVES FOR HIGH-COST AND HIGH-RISK NATURAL GAS PRODUCTION

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. KEMP. Mr. Speaker, I was encouraged to learn this week that the joint House-Senate conference committee on the energy legislation will remain in session during much of the Christmas-New Year's recess. I think it shows the commitment of Congress to resolving this issue.

Among the issues which the conferees must resolve is the question of incentives

for high-cost and high-risk natural gas and oil production, especially the production of natural gas from the Devonian shale deposits of Appalachia and parts of the Midwest.

NOT A NEW ISSUE

This is not a new issue. It has been before the Congress for well over 2 years. As early as the summer of 1975, my colleagues, BOB MOLLOHAN of West Virginia and JACK MURTHA of Pennsylvania, and I were sponsoring an amendment to the legislation then working its way through the House to provide for the immediate deregulation of natural gas stripper wells, most of which are over the Devonian gas.

SIGNIFICANT CONGRESSIONAL SUPPORT

At the beginning of the present Congress knowing that energy would be one of the principal matters to be considered in its first session, we introduced that amendment as a bill. It drew an impressive array of support—from Democrats and Republicans, liberals and conservatives, these for and those against deregulation, and from all regions of the country.

Its cosponsors are:

Mr. Ashley of Ohio.
Mr. Brown of Ohio.
Mr. Cederberg of Michigan.
Mr. Cochran of Mississippi.
Mr. Collins of Texas.
Mr. Coughlin of Pennsylvania.
Mr. Dan Daniel of Virginia.
Mr. Dent of Pennsylvania.
Mr. Derwinski of Illinois.
Mr. Devine of Ohio.
Mr. Dornan of California.
Mr. Duncan of Tennessee.
Mr. Edwards of Oklahoma.
Mr. Flippo of Alabama.
Mr. Forsythe of New Jersey.
Mr. Guyer of Ohio.
Mr. Hall of Texas.
Mr. Hamilton of Indiana.
Mr. Harsha of Ohio.
Mr. Hyde of Illinois.
Mr. Kemp of New York.
Mr. Kindness of Ohio.
Mr. Lederer of Pennsylvania.
Mr. Lent of New York.
Mr. Lott of Mississippi.
Mr. Madigan of Illinois.
Mr. Molohan of West Virginia.
Mr. Montgomery of Mississippi.
Mr. Moorhead of Pennsylvania.
Mr. Moorhead of California.
Mr. Murphy of Pennsylvania.
Mr. Murtha of Pennsylvania.
Mr. John T. Myers of Indiana.
Mr. Neal of North Carolina.
Mr. Pattison of New York.
Mr. Perkins of Kentucky.
Mr. Preyer of North Carolina.
Mr. Price of Illinois.
Mr. Pursell of Michigan.
Mr. Quillen of Tennessee.
Mr. Rahall of West Virginia.
Mr. Regula of Ohio.
Mr. Rousselot of California.
Mr. Rudd of Arizona.
Mr. Sebelius of Kansas.
Mr. Stockman of Michigan.
Mr. Symms of Idaho.
Mr. Vander Jagt of Michigan.
Mr. Walgren of Pennsylvania.
Mr. Walker of Pennsylvania.
Mr. Walsh of New York.
Mr. Whitehurst of Virginia.
Mr. Charles Wilson of Texas.
Mr. Yatron of Pennsylvania.
Mr. Young of Alaska.

ADDITIONAL SUPPORT

What is new about this issue is the support which has grown in recent weeks for bringing this Devonian gas onto line at the earliest date, a matter which cannot be done under the price ceilings now being contemplated by the conferees. Given the difficulties of the terrain, the state of the art in reaching it, et cetera, it simply is not possible to bring it on line for anything like \$1.75 or \$2 per thousand cubic feet. And, although a higher price is needed to bring it on line, the ultimate cost to the consumer would not be that much higher, because wellhead prices are only about 10 percent of burner tip costs and Devonian gas would be only a minority in total supply. Yet those higher wellhead prices would be enough to restore or create the necessary incentives for the small producers who own the land and/or mineral rights in the Devonian areas.

What is this new support? It comes from many sources.

APPALACHIAN GOVERNORS

First, the Appalachian Governors. With the Governors of West Virginia, Kentucky, Ohio, Mississippi, and Tennessee present, the Appalachian Governors voted on November 3 at their meeting in Morgantown, W.Va., voted as follows:

The Appalachian Governors present today resolve that the National Governors Association's Committee on Natural Resources and Environmental Management, chaired by Governor Carroll through its Coal Subcommittee, chaired by Governor Rockefeller, should take an active role in pushing for commercialization of fluidized bed combustion technology; acceleration of Devonian shale research and development; methane extraction and recovery from the Appalachian coal fields; and solvent refined coal combustion and cleaning as well as other coal cleaning technologies.

And, further resolve that the committee and subcommittee of the NGA work closely with the ARC Energy Committee to pursue with the administration and the Congress, the expeditious development and commercialization of said technologies.

CONGRESS' OFFICE OF TECHNOLOGY ASSESSMENT

Second, Congress' own Office of Technology Assessment. In its new staff study, "Gas Potential from Devonian Shales of the Appalachian Basin," released on December 5, OTA found natural gas in the Devonian brown shale has "the potential of making a significant contribution to the U.S. natural gas supply." OTA estimated that these gas reserves could provide 1 trillion cubic feet of gas per year or approximately 5 percent of the current level of domestic production.

Of particular importance to the conferees is the finding that production of gas from Devonian shale will depend largely on "price and tax incentives." The Office's analysis suggests that these incentives could include deregulation of gas produced from brown shale or increasing the depletion allowance and tax credit available to producers.

INTERSTATE OIL COMPACT COMMISSION

Third, the Interstate Oil Compact Commission. The Commission chairman, Oklahoma Gov. David Boren, has named

a committee to seek congressional establishment of the natural gas stripper well category free from price control, a category proposed in our amendment of 1975 and our bill of this year. The members of the committee are the director of the New Mexico Oil Conservation Commission, the chairman of the Oklahoma Corporation Commission, the official representative from Ohio, and a representative of independent operators.

OHIO OIL AND GAS ASSOCIATION

Fourth, the Ohio Oil and Gas Association, whose recently completed comprehensive analysis of production histories of nearly 8,000 independently owned wells in that State shows either a higher price for stripper wells has to be authorized or the wells will be capped in increasing numbers.

I call the conferees attention to the association's letter of September 26 to Senator JOHN H. GLENN:

Concisely, our study concludes the following points:

(1) Ohio is in the grave circumstance of losing 30% of their total gas reserve due to the unprofitability of producing marginal wells to their maximum extent.

(2) The loss to Ohio is estimated at 127 billion cub. feet for the wells under study, representing the amount of natural gas required to heat 70,000 homes over an eleven year period.

(3) These wells, constituting 70% of the wells studied are currently marketing gas at the lowest pricing tier of 58 cents to 65 cents per MCF and while they are marginal, these reserves are not only dependable but they are available to the consumer of Ohio.

(4) Unless the price of "old" natural gas is raised to \$2.00 per MCF, these wells will soon be abandoned as unprofitable and the reserves lost will be permanent because replacement by new wells even at higher tier prices will be economically unsound at today's costs.

(5) The cost to the consumer for this increase on old natural gas prices will be an additional 1.32 percent of his existing monthly gas bill.

(6) On an annual volume basis, 96 percent of the wells under study produce less than 60 MCF per day, the BTU equivalent of a 10 barrel stripper well. It was further found that 76 percent of the wells under study produce less than 30 MCF per day.

(7) Historically, the production histories of wells drilled in Ohio has steadily worsened because of various factors. Ultimate gas reserves of wells drilled today are 50 percent lower on the average than those completed 10 years ago and 25 percent lower on the average than those drilled 25 years ago. The accompanying curves illustrate the character of these production declines over the years and at the same time traces the pattern of price increases. The third relationship reflects the spiral of increased drilling and completion costs. The conclusion is that gas prices have not kept pace with ebbing gas production or the higher costs of drilling.

PROFOUND IMPORTANCE TO NEW YORK STATE

Mr. Speaker, this issue is of profound importance to New York State. Counties with oil and gas production which would find themselves in the situation of having new incentives for energy creation and economic growth are Erie, Chautauque, Cattaraugus, Allegany, Steuben, Genesee, Wyoming, Monroe, Ontario, Livingston, Yates, Schuyler,

Seneca, Cayuga, and Madison. Since 1885, natural gas has been produced in New York State, grossing \$809 million at the wellhead.

It is of importance for New York State to increase supply from these wells, and additional wells which would be sunk if new incentives were created, for two reasons:

First, it would help the economy of New York State, particularly those counties, through the additional dollars which would be paid to the local owners and producers.

Second, this gas would be at significantly lower prices than the synthetic gas or imported liquefied natural gas on which New York State natural gas distributors will otherwise have to rely to meet demand. Thus, it would be of great benefit to the consumers of New York State in terms of cost savings. Imported LNG being brought to the east coast will run \$4.50 per Mcf and higher. Does it not make more sense to pay Americans \$2, \$2.25, or \$2.50 per Mcf than it does to pay the Arabs \$4.50 per Mcf. Why does Congress tolerate this severe drain of American dollars from our country?

URGE INCLUSION IN CONFERENCE BILL

Mr. Speaker, I encourage the conferees to look at this matter carefully and to write into the energy legislation which we will consider at the first of the year those specific incentives necessary to get this Devonian gas, this stripper well gas flowing.

PRESIDENT'S ENERGY PROGRAM MEANS MORE TAXES AND LESS ENERGY

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. HANSEN. Mr. Speaker, President Carter's program of more taxes and less energy is clearly evident in early pronouncements from his new Department of Energy.

In a speech to the American Petroleum Institute in mid-November, Secretary of Energy James Schlesinger accused oilmen of "colossal exaggeration" and "paranoia." He said they spread myths about President Carter's energy plan. The Energy Czar plugged into the wrong information and his wiring was faulty.

The record shows that it was Mr. Carter who shook the industry when he denounced oil companies as "war profiteers" and declared that defeat of his energy proposals and removal of natural gas price controls will mean "the biggest ripoff in history." Schlesinger spoke as one just awakened from a long sleep unaware of the presidential invective directed at oil producers.

It is interesting that 47 leading economists from major universities, including Nobel laureate Milton Friedman, took out an advertisement November 11 in the New York Times captioned "Demagogu-

ery at the White House." They concluded that Mr. Carter's intemperate language reveals the essential weakness of his case.

The Energy Secretary's resort to the charge of "paranoia" is equally revealing. He has much to learn about the error of intemperate language and the error of advocating a policy of controls and high taxation.

The 47 economists included professors from Stanford, Dartmouth, Brown, and Yale Universities; UCLA, the University of Virginia, the University of Chicago, MIT, and other distinguished institutions. They described themselves as "economists for a responsible energy policy."

In their joint statement, they declared that "the so-called energy program would be the largest peacetime tax increase in history. It would make many billions more dollars of tax revenue available for lobbyists to seek—as well as mandate an expensive bureaucracy which would increase the overhead costs of making energy available to consumers. Already the Department of Energy is to cost \$10 billion annually—a sum roughly equal to the combined after-tax earnings of America's major oil companies."

The economists also point out that foreign oil producers can receive \$12 to \$13 per barrel while American producers are limited to \$6 per barrel. That's not "colossal exaggeration," that is discrimination favoring foreign interests. Schlesinger would not even listen to the arguments against higher taxation and bureaucratic control. Both the economists and the oilmen believe that political manipulation and price controls in energy markets account for the Nation's energy problem and thinking citizens tend to agree.

It is understandable in a way why Mr. Schlesinger would not listen to free market arguments. He is part of the bureaucratic control mechanism. His huge agency is part of the problem, not the solution to it. Hopefully Congress will have a clearer understanding of energy realities or, at least a greater readiness to listen as they enter another election year facing irate citizens so tired of high taxes, high prices, unnecessary shortages and foreign ripoffs.

ARMY CORPS' 404 PROGRAM

HON. BILL LEE EVANS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. EVANS of Georgia. Mr. Speaker, farming and forestry are important industries in my district. My constituents in these industries have expressed their concerns about the onerous permitting requirements under the Army Corps' 404 program.

As a member of the Public Works Committee, I wish to express my support of the new provisions amending section 404 which the conferees were successful in achieving.

Normal farming and silviculture activities which include plowing, seeding, cultivating, minor drainage, harvesting, and upland soil and water conservation practices are exempt from the provisions of sections 404 and 402.

The discharge of dredged or fill material incidental to these activities are exempted. Farm and forest roads which may involve more substantial amounts of fill are exempt when built according to best management practices. The Secretary of the Army, in consultation with other Federal departments with expertise for these activities, may determine what classes of dredge and fill activities associated with normal farming and silviculture activities are exempt. This puts an end to the concern of my constituents that the corps will be involved in the day to day, acre by acre activities of farmers and foresters.

Sedimentation runoff from farm or forestlands, which may be caused, as an example, by rainfall, is a nonpoint source of pollution properly considered under section 208(b)(2) of the act.

I would like to include for the record an additional comment on a letter from the Chief of the National Forest Service to my good friend and colleague from Louisiana, JOHN BREAU, which I think clearly explains the various types of activities which are a part of normal silviculture. Many of the activities cited in this letter may involve sedimentation which are not properly under the jurisdiction of the corps' dredge and fill permitting program under 404, but this letter provides an excellent summary of modern silviculture practices.

Mr. Speaker, I rise in support of the conference report on H.R. 3199. The Fish and Wildlife Service has indicated that there are 52.1 million wetland acres in the 11 east and gulf coast States stretching from Virginia south to Florida and west to Texas. Of that, 39 million acres are productive forest lands. It is my understanding that the statutory language agreed upon by the conferees amends section 404 to exempt from the permit program minor drainage. I understand that it is the intention to exclude from permit requirements ditching, tiling, and the installation of related drainage facilities all of which are constructed for the removal of excess surface water and soil moisture, incidental to planting, protecting or harvesting crops or to enhance the productivity of land devoted to agriculture, silviculture or ranching uses.

I also understand that this exemption would permit the use of small ditches to insure the scientific management of productive lowland forests, both hardwood and conifer, and to insure satisfactory establishment of a new crop of trees.

The minor drainage exemption should put to rest, once and for all, the fears that section 404 permits are required for removing moisture from poorly drained farm or forest land of which millions of acres exist in all geographic regions of the country.

LETTER TO THE EDITOR

HON. ROBERT L. F. SIKES

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. SIKES. Mr. Speaker, the president of the American Federation of Government Employees, Pensacola, Fla., is Harold E. Stout. He is a highly regarded leader who champions the rights of Government workers and asks fair treatment for them wherever his services and that of his organization are needed.

He has called to my attention his concern with the news and editorial policies of the Pensacola News Journal at Pensacola, Fla. This publication is owned by Gannett Publications of Rochester, N.Y., and apparently reflects the attitude of that organization. Mr. Stout has not found it possible to get his opinions printed in the newspaper. I am impressed by what he has said to the editor of the publication and I submit it for the RECORD:

NOVEMBER 30, 1977.

Mr. BILL GORDON,
News Editor, Pensacola News Journal,
Pensacola, Fla.

DEAR MR. GORDON: The free trade union movement and the free press in this country share a common breeding ground—the first amendment to the Constitution. In drafting that very special grouping of freedoms—religion, speech, press, assembly and petition—the founding fathers clearly made them interdependent, with no single freedom predominant over the others.

But the press does not see it that way. It regularly invokes its first amendment rights to oppose or, as best, to dampen the first amendment rights of union members. For example, no daily newspaper in America editorially supported the situs picketing bill and most opposed it, although the guts of that legislation was the construction workers' right to exercise free speech in the form of a picket sign.

The labor movement does not engage in the practice of separating out freedoms, dividing them on the basis of some "higher good," as is common practice on U.S. editorial pages. Freedom, to us, is indivisible—a sign to some, I'm sure, of our unsophistication.

Labor supported CBS television correspondent Daniel Schorr and urged the House Ethics Committee to drop its plans to seek contempt citations against him for protecting a confidence. AFL-CIO leaders were on the front lines in Bakersfield and elsewhere where freedom of the press was under government attack. And it wasn't because Schorr and some of the others held union membership. The Newspaper Guild even backed a reporter on a struck newspaper—a scab—fighting an anti-first amendment court order.

Similarly, we oppose other infringements on freedoms—wiretapping, preventive detention, censorship and obsessions with internal security that give rise to mail covers, spying on American citizens and other gross injustices.

This is not a two-way street. There is no press support when it is labor's freedom that is being challenged. Imagine the outcry against infringement on a free press if Congress were to require commercial newspapers to report the cost of editions which editorially support candidates for federal office. Yet that segment of the press which is owned by the labor movement is required

to report the cost of editions supporting federal candidates.

Imagine the outrage if the federal government dictated to commercial newspapers how and what they could report about stockholders' fights within the paper itself—or overturned a board of directors' election because the publisher's wife got her picture on the society page at a Junior League fashion show while a stockholders' fight for corporate control was going on. Yet the labor press is under such government dictates.

Why two standards—one for commercial papers and one for labor papers? Where are the valiant defenders of freedom of the press when it is our ox that is being goaded?

So, labor tends to be concerned about a press that regularly and vigorously supports constricting such freedoms as the right to strike, contending the public's convenience demands limitation on that right, while piously invoking its own freedom as the defense for unfair, biased and wrong-headed coverage of the labor movement or for establishment of monopolies over the free flow of information so vital in a democratic society.

We are further troubled by the growing trend toward chain ownership. It has provoked Charles Selb, ombudsman of the Washington Post, to amend A. J. Leibling's maxim about freedom of the press being reserved to the publisher who owns one to read instead: "freedom of the press belongs to the conglomerates that own them."

We do not believe the press should support our cause in lockstep. If the editorial writers were to do a 180-degree turn and extol the virtues of unions, we would consider ourselves suspect—and with good reason. Labor should never expect support from the press for the basic and obvious fact that a newspaper publisher is merely a businessman whose business happens to be publishing a newspaper.

There is nothing wrong with this, although a good many publishers and editors seemed embarrassed by public exposition of the notion that they are in business to make a profit. All we suggest is that when newspapers proclaim the commandments of labor relations—thou shalt not strike; thou shalt not be greedy; thou shalt not injure the public interest; thou shalt honor thy employer—they should acknowledge their inherent prejudice.

Wouldn't it be refreshing if the usual editorial, which clobbers the union and supports the employer in any conflict between labor and management, made some note of the fact that all employers are brothers and that in unity of management there is strength?

Sincerely,

HAROLD E. STOUT.

A NATIONAL TRIBUTE TO
LADY BIRD JOHNSON

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. PICKLE. Mr. Speaker, last Sunday I had the honor of participating in a magnificent tribute for one of our dearest friends, Mrs. Lady Bird Johnson. The event was held in honor of Mrs. Johnson's birthday and for the purpose of raising funds for the Lyndon Baines Johnson Library in Austin. Former Ambassador to Australia, the Honorable Edward Clark served as cochairman of the campaign. Henry Ford II and Mary Lasker served as national chairman.

It was a night that brought back many poignant memories of the Johnson White House and that dynamic leader who came from a hill country ranch in central Texas. Many old friends from "The Johnson Years" were able to attend and join in the tribute.

One of the highlights of the evening was the performance by Helen Hayes and Kirk Douglas reading the letters and diaries of the Johnsons as arranged by playwright Preston Jones.

Perhaps the most enjoyable part of the evening was once again seeing the old friends—the Johnson people—including the Honorable Dean Rusk, Jack Valente, John Connally, Arthur Korm, Len Wasserman, Bob Strauss, Liz Carpenter and the entire Johnson family.

The event also exceeded its goal of contributions for the L. B. J. Library. The library will be able to keep its doors open free to all visitors and also fund the many programs and seminars that are sponsored by the foundation.

Not only were we able to establish a secure future for the L. B. J. Library but also honor the wonderful woman who played such an important role in the Johnson years. We all love her very much.

Mr. Speaker, I insert the Washington Post article about the tribute. It is a well-written graphic description of this event:

A TRIBUTE TO LBJ—THE OTHER ONE

(By Bill Curry)

AUSTIN, TEX.—After all these years, years since the Lyndon Johnsons left Texas for Washington, years since they left Washington for Texas and years since the President himself just left, a thousand family friends could still gather here Sunday night in one of those special Texas celebrations of power and love.

In the name of LBJ they came, but this time it was the name of that other LBJ, the one he drove to excellence, achievement and, at times, to pain. The one he called Dearest and Bird and "one of my wisest and most trusted counselors." Lady Bird Johnson, no other.

Here they were assembled in the marble majesty of the LBJ Library—the conservative wealth of Texas anteing up \$1.25 million to keep a presidential library open without charge to you and me, because that's the way Lyndon wanted it. And because Mrs. Johnson wouldn't tolerate a tribute to her unless it also benefited the library.

This event was called "A National Tribute to Lady Bird Johnson" and drew a crowd variously described as the Johnson family's kissing cousins and "the Democratic Establishment." Bankers, oilers and dealers, men who had twisted arms for Lyndon Johnson and men who had had their arms twisted.

"This is a love-in," said Texas humorist Cactus Pryor, whose one-liners from the LBJ Auditorium stage caught the light and the insight of Sunday night's gathering in honor of her 65th birthday, Dec. 22.

But catching the drama of the lifetime of two people were Helen Hayes and Kirk Douglas, whose dramatic readings of Johnson letters and diaries, as arranged by "Texas Trilogy" playwright Preston Jones, spirited an audience to times and places past.

"Lyndon," Claudia Taylor wrote in October 1934, "Please tell me as soon as you can what the deal is. I am afraid it's politics . . ."

"My darling," he wrote to her in 1942 in a wartime letter from San Francisco, "I've come around to thinking your head is better than mine on most things, even including so many political matters."

Those were the up times and the down times came too, as when graduating students

walked out on Lady Bird Johnson in a Vietnam war protest at Williams College in October 1967. "I was their bait," read Helen Hayes. "How did I personally feel? Cool, furious and determined to maintain my dignity . . . All in all, I guess I lost this round. Lyndon called . . ."

And Kirk Douglas said, "I just hate for you to have to take that sort of thing."

So compelling was their performance that afterward a strucky Lucy Johnson Nugent would say of Hayes and Douglas, "One of them would look over and glance at each other, and there stood my mother and father."

"I could see Daddy," said her sister Lynda Robb. "Indeed, at one point there is a reference to 'Lyndon Douglas' in my notes."

But if there was confusion between theater and reality, there was little doubt that it was Lady Bird Johnson's night. She was escorted by Henry Ford II, who was co-chairman of the event with philanthropist Mary Lasker, Mrs. Johnson was presented with roses sent by Laurance Rockefeller. She was lauded by an absent President who received modest handclapping compared to the enthusiastic applause when Pryor mysteriously said, "We had hoped that America's No. 1 citizen could be here," and added in reference to the University of Texas' All-American football player, Earl Campbell, "but he hasn't returned from accepting the Heisman Trophy."

Jim Wright, the House Majority Leader, was here and so were John Connally and Dean Rusk and Jack Valente and Lloyd Bentsen. Liz Carpenter kind of ran things. Steve Martindale came too, "with Liz."

Gov. Dolph Briscoe couldn't make it, Pryor said, "because he was attending the funeral of a future appointee." Dead men have been appointed to office before in Texas.

But lots of people did make it, and influence and wealth appeared to increase, proportionately as the hair grayed, silvered and finally whitened. The object of the evening was to endow the LBJ Library, to finance frequent academic gatherings on public issues and to keep the library admission free so that no child must ever pay to visit it. Strange, then, that in a state where public spending for the poor is done with less than enthusiasm, that such a crowd would contribute \$125, \$500 and \$5,000. But that's the way it is done here: Private charity instead of public outlay.

"There is a great diversity of political background here," said Nugent a few feet from the display case where her White House wedding gown is preserved. "That's one of the joys of my mother. She has best friends from the very liberal end of the optical spectrum and best friends from the very conservative end of the political spectrum. That does not eliminate their ability to love my mother for what she stands for."

What did her mother think of all this? She tried to get the audience to cut short the standing ovation for her. They wouldn't, not for a while anyway. Finally, she was able to say, "Thank you. My heart is very full tonight." Additional remarks followed. Then in a hallway she was asked for her thoughts. "They're full of gratitude, and happiness and memories."

As we rode the elevator to a post-performance reception, Mrs. Johnson acknowledged that the ever-increasing demands by her husband—a letter once suggested she hand-write 2,000 letters to constituents—had spurred her to try harder and to do more.

One letter also commanded her to acquire skills, so that if anything ever happened she would be able to get a job some day.

Last night it was clear that the trying and the doing had carried her farther and achieved for her not a job but a place in America. Her name is synonymous with beautification, with greenery and trees and flowers. You can see it. She is a business-

woman and works with passion for this library.

And if anyone needed to say, although no one really did, J. J. (Jake) Pickle, the congressman, went ahead. This library with its presidential archives and artifacts is more than a memorial to one man. "This is the LBJ Library," Pickle said, "Lyndon Baines and Lady Bird, one and the same, now and forever. Amen."

DÉTENTE: MYTH AND REALITY

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. McDONALD. Mr. Speaker, détente has become like beauty and is "in the eyes of the beholder." Thus, many of our policymakers are determined to maintain détente, because of what they think it is and not because of the reality of détente. While the Soviets continue to pour out soothing words and act in a beguiling manner, their continued arms buildup goes on to belie their words. So, in assessing the intentions of the Soviets should we listen to their words or look at their actions? Obviously, actions still speak louder than words and the actions of the U.S.S.R. give no one hope for peace in the world. Lt. Col. John D. Baker, in *Military Review* for December 1977, has accumulated the evidence in an orderly manner and presented a case against détente very cogently. I commend his article to the attention of my colleagues:

DÉTENTE: MYTH AND REALITY

(By Lt. Col. John D. Baker, U.S. Army)

Détente is a word which has been used widely, and most Americans are familiar with the term. What détente really means to them, however, is vague, and a precise understanding of the term is lacking. It seems that most would assume the word to infer a relaxation of tensions between the United States and the Soviet Union. As this is the way the Soviets define the word, a closer look at the meaning of this word is in order. The Soviet interpretation is literally a "slackening of tensions" (*razriadka napriazhennosti*). This term must be considered in connection with the term "peaceful coexistence" which has been in use for a longer time. What do these terms mean to the Soviets? Peaceful coexistence has been precisely defined by various Soviet leaders from Khrushchev to the present leadership: the absence of war between the "socialist and capitalist" camps, while competition in all other areas remains active and even accelerated. Since "détente" appears to be an offspring of peaceful coexistence, its meaning would seem to be similar. Cautions have been noted in the Soviet media regarding both terms, stressing that just because relations between the camps are "better," the basic hostility of the camps has not been lessened, and that vigilance is still required to continue the competition in economic, ideological, political and other spheres. In short, the concept is a continuation of the struggle by all means short of actual war.

If there is little evidence to suggest that "détente" is not just the new name for "peaceful coexistence," there is perhaps even less evidence that the basic aims of Soviet foreign policy have been changed by the use of the term.

The Soviet interpretation of the term "détente" seems to be little understood in the West. While "relaxation (slackening) of

tensions" seems to be a worthy goal and well accepted in the West, the adjunct of continued or increased competition in areas other than war seems to have been overlooked. Thus, in the West, we find what some might consider an overly optimistic view of détente which seems to equate "détente" and "peaceful coexistence" with an absence of tensions, a lack of competition between the camps or a merger of interests to the point that the ideological differences no longer play important roles. This belief is founded neither upon a correct understanding of the terms themselves, nor on the realities of the situation. In fact, they seem to be based upon the flimsy foundation of wishful thinking.

Détente is but another stage in the continuing evolution of Soviet foreign policy whose ultimate aim (the victory of socialism over capitalism), as stressed by the Soviets themselves, has not changed.

Thus, the West should examine "détente" in this light and make a judgment as to its value, based upon a proper understanding of the concept, not upon what we might wish the concept to be. There has been some progress in relaxing tensions between the US and the USSR as evidenced by agreements which have been made on a variety of issues ranging from Strategic Arms Limitation Talks (SALT) to the sale of wheat. Trade between the two countries is much discussed, and commercial and other negotiations continue. All these discussions and agreements are cited to demonstrate that East-West tensions are being reduced, and, in fact, we have come a long way from the "Cold War" to the present relationship.

It would be a serious mistake, however, to consider that everything is now "rosy." To underline this fact, a comparison of military positions reveals some interesting facts.

In the strategic arena, a comparison of US and USSR relative positions in numbers of nuclear delivery systems reveals a great change between 1968 and 1976 (Table 1).¹

Footnotes at end of article.

TABLE 1.—Comparison of U.S. and U.S.S.R. nuclear delivery systems

U.S.:	1968	1976
ICBM	1,054	1,054
SLBM	656	656
Long-Range Bombers		
(Range 6,000+ Miles)	545	387
Total	2,255	2,097
U.S.S.R.:	1968	1976
ICBM	858	1,527
SLBM	121	845
Long-Range Bombers	155	135

Total 1,134 2,507
Figures represent midyear totals.

The U.S. figures reveal no change in intercontinental ballistic missiles (ICBMs) or sea-launched ballistic missiles (SLBMs) over this eight-year period and a decrease of 158 in long-range bombers. On the Soviet side, we find an increase of 727 ICBMs, 775 SLBMs and a decrease of 15 long-range bombers. The relative strategic positions have changed markedly. Whereas in 1968 the U.S. enjoyed a superiority of 1,175 in total numbers of delivery systems, in 1976 the U.S. trailed the USSR by 410.

Of course, total numbers are but one aspect of the balance of forces and are considered by some to be a simplistic value, especially when other aspects such as multiple independently targetable re-entry vehicles (MIRVs), numbers of warheads, bomber payload and throw-weight are introduced into the equation. One must agree that this area is complex and that the weighing of other aspects, with the U.S. having advantages in numbers of warheads, MIRVs and bomber payloads and the Soviets having an advantage in throwweight, complicates the evaluation. Consideration of numbers alone gives a simple, but effective measure of relative position.

Thus, while one can say that the US position has changed from one of massive

superiority to one of moderate inferiority in numbers alone over this period (with the overall balance probably being more in the equality range when the other aspects are considered), one is prompted to ask why this change took place.

This question has an extremely complex answer. A variety of elements enter into this evaluation, with some of the main factors being the war in Vietnam, the perception that a massive superiority was either no longer needed or no longer feasible and the consideration of "détente."

The "evils" and disadvantages of an uncontrolled arms race have been stated sufficiently in other places, and the logic of trying to restrict an uncontrolled arms race is difficult to dispute. However, relying on "trust," détente or any other intangible notion does not solve the very real problem of the balance of power in the world arena. The solution must be approached logically and dispassionately, and not with preconceived concepts based upon "feelings" but upon realities.

The reality is that the Soviet Union now has achieved a position at least of equality with the United States, and it has a slight advantage in total numbers of strategic delivery systems. This is, in itself, neither bad nor good. The "bad" or "good" will depend upon developments in the future. Both sides now "enjoy" the capability of destroying each other, perhaps even many times over, as some point out. Both sides also recognize the futility of a nuclear war based on that capability; it is of advantage to neither side. Thus, given this present relationship, total nuclear war seems to be ruled out.

A further examination of the balance in the critical European arena adds to our understanding of the overall balance. Again *The Military Balance* is the source of the figures, and some restrictions are necessary in considering the figures (Table 2).²

TABLE 2.—BALANCE OF POWER IN THE EUROPEAN ARENA

	1968-69			1976-77				1968-69			1976-77		
	NATO	Warsaw Pact	Of which are Soviet	NATO	Warsaw Pact	Of which are Soviet		NATO	Warsaw Pact	Of which are Soviet	NATO	Warsaw Pact	Of which are Soviet
Ground forces, division equivalent (3 brigades per division):													
Armored	133½	333½	193½	17	37	22							
Mechanized/airborne/infantry	333½	60	303½	53	63	28							
Total	473½	933½	503½	70	100	50							
Main battle tanks: Peace-time	6,400	15,800	7,100					11,000	26,500	13,750			
Tactical aircraft:													
Light bombers	50	650	600					185	275	250			
Fighter/ground attack	2,040	2,630	1,860					1,700	1,625	1,050			
Interceptors	1,000	4,360	3,000					650	2,750	1,150			
Reconnaissance	660	490	360					425	650	450			
Total	3,750	8,130	5,820					2,960	5,300	2,900			

NOTES

Table 3 gives the differences in force structures based upon the above figures. Division equivalents are considered three brigades per division, with the further note that Warsaw Pact divisions are smaller than their NATO counterparts.

The figures include all countries in the respective alliances with the exception of France and Portugal on the NATO side.

While the main battle tanks may be roughly equated, tactical aircraft cannot be pact aircraft generally have lower payloads, shorter ranges and less versatility than NATO aircraft.

Some of the figures are extrapolated from the tables in the *Military Balance*—that is, 1968-69 figures were given in brigade equivalents while 1976-77 figures were in division equivalents.

TABLE 3.—DIFFERENCES IN FORCE STRUCTURES BETWEEN 1968-69 AND 1976-77

	NATO	Warsaw Pact	Soviet
Ground forces:			
Armored	+31½	+43½	+21½
Mechanized/infantry	+19½	+3	-2½
Total	22½	+7½	-½
Medium heavy tanks: Peace-time	+5,600	+10,700	+6,650
Tactical aircraft:			
Light bombers	+135	-375	-350
Fighter/ground attack	-340	-1,005	-810
Interceptors	-350	-1,610	-1,850
Reconnaissance	-235	+160	+90
Total	-790	-2,830	-2,920

Note: Table 4 gives the Warsaw Pact advantages (or disadvantages), again based upon the above figures.

TABLE 4.—Warsaw Pact advantages

	1968-69	1976-77
Ground forces (Divisions):		
Armored	+19½	+20
Mechanized/Airborne/Infantry	+26½	+10
Total	+46	+30
Medium heavy tanks	+9,400	+15,500
Tactical aircraft:		
Light bombers	+600	+90
Fighter/Ground attack	+590	-75
Interceptors	+3,360	+2,100
Reconnaissance	-170	+225
Total	+4,380	+2,340

As can be seen from Tables 2, 3 and 4, the Warsaw Pact forces have increased quanti-

tatively, as have the NATO forces. This is especially notable in the number of Pact tanks increasing by 10,700, giving the Warsaw Pact an advantage over NATO of 15,500 tanks. While tactical aircraft on both sides have decreased, the Warsaw Pact presently maintains an advantage of 2,340. The decrease of 16 division equivalents does not alter the roughly 1.5 to 1 ratio of Pact division equivalents to NATO division equivalents, 50 percent of which are Soviet. Based upon the above comparison, the Warsaw Pact is quantitatively in better condition now than in 1968. Qualitative improvements also are reported. John Erickson, a specialist on the Soviet military, pointed out an increase of 1,000 T62 tanks in the Pact,³ while the replaced T54/T55 models were retained in the forward area. He also noted that nuclear weapons have increased the number of artillery pieces almost doubled by the beginning

of 1973 and more tracked amphibious vehicles supplied for infantry use. In air power, Erickson pointed out that older aircraft are being phased out and modern types introduced, including the MIG25 Foxbat and the MIG23 Flogger variable-geometry aircraft. He also noted a massive air defense program, coupled with a major air shelter program, thereby complicating the NATO task of achieving air superiority should war break out.

In addition to these factors, significant numbers of a new armored personnel carrier (APC), the BMP, have been appearing. This APC is greatly improved from previous models deployed by either side. Not only is it equipped with a portable 73mm smoothbore gun in addition to the 7.62mm coaxial machine gun, but it can mount the Sagger anti-tank guided missile system. The provision of firing ports on both sides of the vehicle gives the infantry squad the capability of fighting while mounted, and totally protected, in the vehicle.⁴

Another new system probably deployed in the forward area is the 122mm self-propelled gun. Neues Deutschland, the East German Party newspaper, referred to this vehicle as amphibious. The new SA9 antiaircraft missile has been displayed mounted on an amphibious wheeled carrier.⁵ This system, coupled with the new ZSU23-4 self-propelled antiaircraft gun, will improve the Pact's antiaircraft capabilities, as will the new aircraft. As these new weapons have been displayed, it must be presumed that there will be further deployments of other new systems in the forward area.

These programs, together with the rapid buildup of naval strength, greatly improve the qualitative position of the Warsaw Pact. All of these factors demonstrate that the Pact's position vis-à-vis NATO has improved significantly since the beginning of détente.

The possibility exists that the Soviets agreed to discuss SALT in 1968 with the primary aim of preventing a further US strategic buildup, while the Soviets built up their own forces. Psychologically, with the possibility of a concrete agreement on strategic arms under open negotiations, the Congress and many citizens of the United States were reluctant to support further strategic arms developments. The antiballistic missile funding battle ensued, and constant calls came for reducing the armed forces. In fact, between 1968 and 1976, the United States withdrew from Vietnam, and nonstrategic US Armed Forces were reduced considerably. A similar unilateral reduction of the Soviet Armed Forces has not occurred. To emphasize these changes, see Table 5.⁶

TABLE 5.—Comparison of forces

Total deployed	1968-69	1976-77
ground forces:		
NATO	875,000	1,175,000
Warsaw Pact	990,000	1,305,000
(Of which are Soviets)	(530,000)	(775,000)
Total armed forces		
(Includes paramilitary forces on the Soviet side):		
U.S.	3,500,000	2,086,700
U.S.S.R.	3,470,000	4,000,000

What, one might ask, do all these comparisons mean, and why are they so laboriously presented? A valid question, as is the question of why all the comparisons are based upon 1968 and mid-1976. A significant event occurred in 1968: After years of consideration, the leadership of the Soviet Union agreed to discuss limitations on strategic weaponry. A significant breakthrough—or was it?

In mid-1968, the Soviets were well aware of their planned buildup, especially in the strategic sphere. Their problem was to find a way to prevent a US reaction to the buildup. In retrospect, we certainly can agree that the SALT negotiations exerted a restraining ef-

fect on the US reaction to the Soviet buildup. This may or may not have been foreseen by the Soviets, but, in either case, the Soviets have been able to alter markedly the balance of power in the world and have not been overly modest in proclaiming this fact through their media, although very few of these comments are repeated by any Western media. The balance may "have shifted in favor of the socialist camp" as some Soviets have declared, but how far the balance shifts is a key consideration for the present and future.

In considering US-USSR détente across the board over this period, the Soviets have benefited in various ways. In 1972, the Soviets had a very poor harvest, but were able to negotiate—at very favorable terms, subsidized in part by the American taxpayer—the purchase of about 20 million tons of grain in the United States. This agreement greatly eased problems in the USSR, while causing a variety of problems in the United States. The efforts by the USSR to purchase large amounts of US grain in 1975 may have still further repercussions on the US economy. Time will tell in this area, as it will in the military area.⁷

Second thoughts about general trade with the Soviet Union are in order, however, to the extent that trade affects the military balance. The Soviets have tremendous industrial and civilian needs. Having the United States fill these needs on an easy, buy-now, pay-later arrangement would be most welcome to the Soviets. While the United States meets only a fraction of Soviet technological needs, one should note that, when the United States fills such needs, the pressure for the Soviets to divert materiel and manpower from their military production is reduced by that amount.

Further outcomes of East-West détente were an agreement to participate in the Conference on Security and Cooperation in Europe (CSCE) and the Mutual and Balanced Force Reductions (MBFR) negotiations. MBFR negotiations are being held, but so far there does not seem to be any reason to expect favorable results in the near future. The Soviets seem to have moved newer tanks into the Warsaw Pact area while not withdrawing the tanks being replaced. NATO also has increased its tank inventory. Media reporting on the Soviet/Warsaw Pact position on MBFR reveals that the socialist camp wishes to retain the relative balance of forces in the Central European area (officially referred to as the NATO Guidelines Area (NGA) which includes West Germany, Belgium and the Netherlands on the NATO side and East Germany, Poland and Czechoslovakia on the Pact side). More simply stated, both sides reduce by equal percentages which will leave the Pact with a numerical superiority in troops and in tanks. This again demonstrates that the Soviets are interested in obtaining unilateral advantages wherever possible.

A further consideration which reflects on the various NATO-Pact tables is the serious decline on the NATO side recently. France has been excluded from the figures. Greece and Turkey are bordering participants, and Portugal, at one time, showed alarming trends toward communism. Excluding their forces reduces the balance figures previously given by 38+ division equivalents, 2,660+ medium tanks and 672 combat aircraft.⁸

The successful completion of the CSCE in July 1975 witnessed various heads of state making reference to present European borders, including the borders of Eastern Europe established by Soviet military forces before, during and after World War II. A more interesting aspect of this conference was the agreement for noninterference in internal affairs of other states insisted upon by the Soviets. Might this signify a change in the longstanding Soviet policy of support for wars of national liberation and support for local Communist Parties? No, the Soviet emphasis

is on the West refraining from "supporting counterrevolution," not on the East refraining from "supporting revolution."

The various points examined show some of results achieved during the period of "détente": a greatly improved Soviet strategic position; an improved Warsaw Pact conventional war position; one major purchase of US grain by the Soviets to the disadvantage of the US taxpayer; a slight decline in the level of US strategic forces; a great reduction in US conventional forces; and a marked deterioration in the NATO Alliance. Some of these results are, of course, unilateral actions and only indirectly related to détente. The Soviets are receiving Western technology at favorable prices; they have obtained recognition of their East European conquests; they have obtained a "moral" commitment that the West not interfere with Communist regimes; and they have obtained, as they note often, a significant shift in the East-West balance toward socialism, a shift which is still moving.

"Détente" has been beneficial for the Soviet Union; the benefits for the United States are not as clear. We have not had a nuclear war which, of course, is a major benefit in itself. However, the changes which have occurred during détente seem to be reaching a critical point. If the shift toward socialism continues unchecked, a very different world may evolve. The West still has the capability to react to these changes within the concepts of "détente" and "peaceful coexistence," short of war.

First, the West and especially the United States should recognize that détente does not signify lack of competition but, rather, an absence of a hot war. We must face facts as they are, not as we would like them to be. The marked buildup of both strategic and conventional forces by the Soviet Union does not seem to be in accord with its professed goal of a relaxation of tensions. Surely, in a détente atmosphere, fewer military forces, not more, should be necessary, but that is not what has evolved.

Second, in all our dealings with the Soviets and other Communist countries, we should weigh the advantages we can obtain by the various relationships and strive to obtain maximum advantages for our cooperation. This is standard Soviet policy and should be a standard US policy. We should act like the proverbial "hard-headed businessman" in our relations with the Soviets and obtain some gains for our side.

The fact that "détente" might be a ploy permitting Soviet military buildups without strong US reaction, and aiming for other unilateral Soviet advantages as well, cannot be ruled out. It is to be hoped that future "foreign policy gains" for the United States will be more substantial than previous ones won under the guise of "détente." We have the capability. Do we have the will?

FOOTNOTES

¹ The Military Balance, 1976-1977, The International Institute for Strategic Studies, London, Eng., 1976, p. 75. These figures are extracted from the table comparing strategic weapons systems over the period.

² The Military Balance, 1968-1969, The International Institute for Strategic Studies, London, Eng., 1968, p. 53, and The Military Balance, 1976-1977, op. cit., pp. 97-105.

³ John Erickson, "MBFR: Force Levels and Security Requirements," Strategic Review, Summer 1973, pp. 32-36.

⁴ Major General Harold R. Aaron, "The Soviet Armed Forces Today," MI Magazine, April-May-June 1974, pp. 7-13.

⁵ Neues Deutschland, Berlin, GDR, 27 July 1974, p. 15.

⁶ The Military Balance, 1968-1969, op. cit., pp. 5-9 and 53; and The Military Balance, 1976-1977, op. cit., pp. 5-10 and 97-105.

⁷ Dr. H. A. DeWeerd, "The Cost of Detente: No Rest for the Wary," Army Magazine, May

1974, pp. 17-20; "Is U.S. Giving Away Too Much to Russia?" U.S. News & World Report, 23 September 1974, pp. 68-74; and James Trager, *The Great Grain Robbery*, Ballantine Books, N.Y., 1975, p. 162, gives a figure of 20 million tons as the Soviet purchase.

* *The Military Balance, 1976-1977*, op. cit., pp. 23-26.

WILFRED BURCHETT—SOVIET'S INTERNATIONAL HATCHET MAN

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. ASHBROOK. Mr. Speaker, for those who have followed the Wilfred Burchett case over the years, permission by the State Department to allow him re-entry into the United States is not at all surprising. In the CONGRESSIONAL RECORD of December 17, 1971, I inserted material under the heading "What Did Dr. Kissinger Tell Wilfred Burchett?" It seems that Henry was doing business with him during the Nixon administration. In the Johnson administration he was permitted to enter the country under the U.N. Headquarters Agreement as a journalist for a foreign newspaper.

Briefly, it will be remembered that Burchett was accused of helping brainwash and intimidate American POW's during the Korean war. Rear Adm. Jeremiah Denton, in his book, "When Hell Was In Session," described how he was tortured by the North Vietnamese in 1965 for 7 days and nights and then was confronted by Burchett concerning "war crimes."

Burchett attended the trial of Cardinal Mindszenty in Hungary in the late 1940's and is quoted by Denis Warner, the Australian newspaperman and expert on Burchett, as calling the Cardinal "the miserable, intriguing, ambitious little man."

Burchett was identified by Yuri Krotkov, a former Soviet KGB agent, as also an agent of the same Soviet intelligence apparatus.

A subpoena was issued by a Senate subcommittee in the name of Burchett some years ago but Burchett left the country and was unavailable.

In answer to my query of INS of October 18, I received the following letter "explaining" why Burchett was again allowed to reenter. Also included is an excellent article from Human Events, dated December 10, 1977, concerning the background of Burchett and of the infantile attempts of the State Department to cover up its role on behalf of this Soviet international hatchet man.

The articles follow:

U.S. DEPARTMENT OF JUSTICE, IMMIGRATION AND NATURALIZATION SERVICE,

Washington, D.C., October 28, 1977.

HON. JOHN M. ASHBROOK,
House of Representatives,
Washington, D.C.

DEAR MR. ASHBROOK: Thank you for your letter of October 18, 1977, regarding the admission to the United States by Mr. Wilfred Burchett, a national of Australia.

Mr. Burchett, as you have noted, is ineligible for admission to the United States under section 212(a)(28) of the Immigration and Nationality Act, as amended. This section prohibits the admission of aliens who are members of or affiliated with certain organizations.

On October 12, 1977, the Department of State notified the Service that Mr. Burchett, who had applied for a visa to lecture and confer with his publisher in the United States, had been found ineligible on October 11, 1977, under the cited section of law. At the same time, the Department recommended that his ineligibility be waived under section 212(d)(3)(A) of the Immigration and Nationality Act to permit his travel for the stated purpose only. The recommendation was based on the commitment of the United States to the promotion of free international travel and exchange of ideas.

Accordingly, on October 14, 1977, the Service concurred with the Department's recommendation and ordered that Mr. Burchett be admitted for a period of two months on the condition that he engage solely in the activities mentioned above.

I regret that my reply cannot be of a more satisfactory nature with respect to your request.

Sincerely,

LEONEL J. CASTILLO,
Commissioner.

STATE SHIELDS BURCHETT'S TORTURE ROLE IN KOREA

The State Department's unyielding effort to cover up the activities of Communist author Wilfred Burchett borders on the remarkable, even for that appeasement-minded governmental arm. The liberal New York Post recently jumped all over the department for getting Burchett in this country so he could go on a nationwide lecture tour, despite overwhelming evidence that Burchett is currently a Communist, has been—and may still be—a KGB operative, and did participate in the torturing of American prisoners of war during the Korean conflict (see HUMAN EVENTS, November 26, page 4).

The 66-year-old Burchett is listed by the U.S. Immigration and Naturalization Service as "ineligible" for a travel visa because of his Communist party affiliations. But Burchett was granted a three-month waiver of his ineligible status at the request of high-ranking State Department officials after his case was referred to State by the White House.

What is more astonishing than Burchett's entrance into the U.S., however, is the obvious attempt by the State Department to shield or downplay Burchett's extremely odious record.

The Immigration and Naturalization official who approved State's request to allow Burchett a temporary visa, Ralph Kramer, deputy commissioner for adjudications, told the Post that the department never advised his office of Burchett's KGB status, or his involvement in the torture and brainwashing of American GIs. "If we had known that," said Kramer, "you can be sure it would have been given heavy consideration. I don't understand why that information was withheld."

Though Kramer has since altered his original allegation somewhat, the evidence of a blatant departmental cover-up is stunning. On both November 21 and November 22, departmental spokesmen seriously misstated and distorted the facts about Burchett's background to reporters in the daily briefings.

Department spokesman Hodding Carter III, for instance, downplayed virtually all the charges against Burchett, leaving the impression that the only solid bit of information it had on this "journalist" was that he had Communist ties. So far as allegations

about Burchett's KGB activities—which were disclosed in 1969 and 1970 in sworn testimony to the Senate Internal Security subcommittee by top Soviet defector Yuri Krotkov—Carter said the department does "not have independent information on this subject."

Carter also made the curious claim that Burchett had been "successful" in a major law suit against a former Australian senator who had raised the question of Burchett's "alleged involvement in brainwashing and other activities." When Accuracy in Media's Reed Irvine pressed Carter on the point, asking, "Did you say Burchett was successful?" Carter responded, "Yes."

While Carter "explained" that an Australian court had found that Burchett had been "defamed," he also made the claim that the reason Burchett couldn't collect for damages is that the accusations about him were privileged, having been made before the Australian Senate.

But Carter's explanation was factually incorrect. As Irvine later discovered, the department "response" to the Burchett question was actually based on a telegram sent to the State Department on Nov. 7, 1974, from the U.S. consulate in Sydney. Yet even this telegram spells out the fact that Burchett was not "successful" in his suit, but actually lost it. Moreover, the court ordered Burchett to pay "all costs of the court case."

A copy of the unclassified telegram, which Human Events retrieved from the State Department's Australian desk, revealed in the first paragraph that Carter had grossly misled Irvine on the Burchett affair.

The summary statement on the first page reads: "The defamation suit of Wilfred Burchett, against former DLP Sen. Jack Kane ended November 1 in Sydney, with the jury finding that Burchett was defamed by an article published by Kane. But the article was a fair report of proceedings in the Australian Senate. Burchett was ordered to pay all costs of the court case." Contrary to what Carter claimed, Burchett's suit had not been "successful" in any way.

Furthermore, to be "defamed"—as Irvine got Carter to acknowledge a day later—did not mean that the allegations were false, as Carter had clearly suggested the day before. Allegations can "defame"—be injurious to one's reputation—and be true at the same time.

Indeed, there is every reason to believe that Kane's major allegations against Burchett were absolutely on target. The libel case arose from Krotkov's testimony before the Senate Internal Security subcommittee in which Krotkov swore he had recruited Burchett to work for the KGB in Moscow after the Korean War. After one of former Sen. Kane's colleagues read the report into the Senate record in Canberra in 1971, a condensed version appeared in the magazine Focus, a publication in which Kane was involved.

Though proceedings in the Australian Senate are privileged, Burchett assumed he could collect damages on the Focus piece because it had accused him of "blackmail," a word not used in either the Australian or the U.S. Senates.

"It was a fatal assumption," according to the widely respected Australian correspondent Denis Warner. Sydney, wrote Warner in an April 11, 1975, edition of National Review, has the reputation of being one of the hardest cities in the world in which to defend a libel suit, and that "publishers usually fall all over themselves to settle out of court. Burchett was sure he could win."

But Burchett was waylaid by Kane's tenacity, Kane, as that 1974 State Department telegram divulges, "spent more than a year gathering evidence throughout the world and brought former POW witnesses from the U.S.,

Vietnam, Hong Kong, Darwin, Canberra, Brisbane and Sydney for the trial.

"These witnesses testified to meeting Burchett in various POW camps during the Korean and Vietnam conflicts and told about conversations which they said indicated Burchett was in the employ of and sympathetic to the North Koreans, Chinese and North Vietnamese.

"A deposition made by KGB defector Yuri Krotkov, presently living in the U.S., alleged Burchett asked for a job in Moscow, said he was an Australian Communist and offered to blackmail an unnamed Air Force general over indiscretions by the general's wife with Burchett."

The Krotkov evidence was all read into the record, noted Warner, "the meetings between Burchett and Krotkov in Berlin after the Second World War, another meeting at the Hotel Savoy in Moscow in 1956. Later, at the Khimki Float Restaurant in Moscow, Burchett, who knew Krotkov was with the KGB, made his pitch:

"I served our cause, the Communist cause, the Communist party of China, giving them very valuable information when I was in Korea," he told Krotkov, according to Krotkov's testimony. "I could understand their thinking, their sentiments, what they want, what they think, and I could inform the Chinese side. The same thing happened in Hanoi. I am established on the payroll of the party. I am in close relation with Ho Chi Minh. We're almost friends. . . ."

But the most damaging information came from the ex-POWs. During the Korean War, almost every captured airman was treated as a war criminal, not as a prisoner of war, held in solitary confinement under constant threat of death. Early in 1952, the interrogations paid off and two airmen, Lt. John Quinn, a B-36 pilot, and his navigator, Lt. K. L. Enoch "confessed."

"A week or so later," Warner related, "Radio Peking, the New China News Agency, and the People's Daily in Peking carried the story that a joint interrogation team of Chinese and Korean scientists had interrogated (not interviewed) the airmen and that Wilfred Burchett had participated in the work of the team by invitation.

"Not long afterward, two other airmen, Lt. Paul Kniss and Lt. O'Neale also 'confessed,' and the germ warfare campaign, conceived in Burchett's fertile brain, was off to a rip-roaring start."

Warner then related that Derek Kinne, once a private in the Royal Northumberland Fusiliers, who won the George Cross for his gallantry in the prison camps, "told of the misery, the horror, the sheer criminality of Burchett while the court listened spell-bound."

Kinne told of his first meeting with Burchett 22 years before. The prisoners had been called to a football field to listen to Burchett argue that the U.S. was sabotaging the peace talks. When Burchett was through with his lecture, Kinne approached him and asked him to write about the real conditions in the camp. He told Burchett that the Chinese had not given the men considerate treatment. Six hundred men had died of malnutrition.

"I told him I saw 39 men go for [burial] in one day and I saw dogs dragging the men out. We ate the dogs and I said we were starving to death. He kept his mouth shut." Kinne told Burchett he had been tied up and told to reflect in a room for 72 hours after complaining to the Chinese. According to Kinne, Burchett replied: "I could have you shot for that." Burchett then added: "It would be good to have you shot." Later, Kinne went back to Burchett and said: "Excuse me, my brother was killed here. I would like to see his grave." Burchett crossed his legs and arms and said, "If you want to see his grave, beg."

A United Air Lines captain flying out of Chicago, Paul Kniss, who had been captured during the Korean War, gave more damning testimony about Burchett. After his Chinese and Korean interrogators had exerted extreme pressure on him, Kniss finally "confessed" to germ warfare charges. Six weeks later, Burchett informed Kniss that he had his "confession" and had edited it. At one point, Kniss saw an interrogator drop a sheet of typed notepaper. It was a single sheet, signed "W. G. Burchett," and contained all sorts of military questions for the interrogator to ask him. And so the testimony went.

Predictably, of course, Burchett denied virtually everything—he argued that Kniss was not telling the truth, insisted that he had never exchanged a word with Kinne before in his life, that he had never seen the next witness, Col. Walker Mahurin, until he appeared in court, and that the first time he ever heard of germ warfare in Korea was in 1952.

"He was proved a liar from his own writings," wrote Warner. "An interview with Mahurin in prison camp under Burchett's byline appeared in the London *Daily Worker* and the Hsinhua news agency. . . . He repeated that he had not heard of germ warfare until 1952 and then, confronted with *China's Feet Unbound*, conceded that he had referred to it in the introduction bearing the date August, 1951, though that must have been a printer's error!"

"After retiring for three and a half hours, the jury found that the article in *Focus* was defamatory but that it was a fair account of proceedings published in the Australian Senate, and therefore privileged.

"Under the circumstances, it was not necessary for the jury to go on and decide whether the allegations that Burchett had worked for the KGB and his activities in Korea and Vietnam were true and whether it was for the public benefit that they should be published. He has lost his case already."

Warner concluded his article this way: "For nearly a quarter of a century, Burchett has been in the front ranks of the enemies of the United States. That is where he will remain now. But surely it is not asking too much that the real nature of the man should be made known to the American people."

No, it is not too much to ask. But President Carter's State Department—for its own curious reasons—seems to think it is, has waived several restrictions so he could come into the U.S., and has even compelled its spokesmen to mislead those who have been trying to discover the truth about Burchett's background. Why, one would like to know, is the department shielding this front-line foe of the U.S.?

On November 22, the department engaged in another coverup of Burchett's background. Reed Irvine asked the department spokesman for the day, Tom Reston, to read a portion of the 1974 telegram which would have proved Irvine's contention of the previous day that Burchett had actually lost his suit against Sen. Kane. Reston indicated he would, but said: "I don't have the cable in front of me here. . . ." So the cable was never read into the record. Following the briefing, Reed, as he was going out the door, noticed two copies of the telegram at the side of the room where department personnel are normally seated during the briefing.

WHAT COUNTS IN AMERICA

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. DORNAN. Mr. Speaker, today, we are expected to adjourn for the holidays.

It is a time for reflection and remembering, for celebration and for thanksgiving. Americans are joining each other in praising Heaven and thanking our Lord for the blessings He has bestowed on us. But only a few of them have the talent to voice that thankfulness.

One who does have that gift is Herbert E. Kaiser, editor of the Society of Manufacturing Engineers Tech-news. Although his November editorial was written in reference to the Thanksgiving holiday, its sentiments and message are just as meaningful during this holy season.

Mr. Kaiser's words speak for themselves:

WHAT COUNTS IN AMERICA

The Thanksgiving season is nearing once again. Americans are raising their voices in prayer and thanksgiving for this bountiful land. I would like to add my voice to theirs.

I immigrated to the United States from Germany. My heart is full of love and pride for my new country. I feel that I must speak out for my heart alone cannot contain the pride and joy of being an American. I thrill at the sight of the flag. I feel humble when I hear the "Star Spangled Banner." To me, this country is beautiful, gracious, God-fearing, and kind. It is a place of miracles. My greatest gift was the day my family and I received our citizenship papers.

Perhaps I do not agree that the Panama Canal should be given to an unstable country with a Marxist dictator; nor the amnesty awarded to Viet Nam deserters; nor the present assault on Rhodesia in the name of Human Rights; nor do I agree with the cancellation of the B-1 Bomber. I am frightened by the trend to Socialism, which is the first step to Communism. I know the terror for I have lived under Nazism and Communism. Yet, I thank God I have the right to criticize the very government that gave me that right.

I am wealthier than all the kings, for I was accepted in this green and golden land. Those that have come from far places are proof of my words. They arrive to be part of this country, my land, my home. Many of my fellow-countrymen lost their lives on the Berlin Wall. Their love of freedom was greater than their love of life. . . .

I will remember those who came to America to follow their dream. Let us sing "God Bless America" with greater feeling this Thanksgiving, 1977, for your land is my land and I, too, am proud to be an American!

THE CROWN OF ST. STEPHEN— GIVING A RELIGIOUS TREASURE TO AN ATHEIST DICTATORSHIP

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. HANSEN. Mr. Speaker, last month President Carter made a startling announcement which has outraged the American-Hungarian community and other freedom-loving anti-Communists throughout the Nation and around the world.

On November 4, the 21st anniversary of the 1956 attempt by the Hungarian freedom fighters to throw off the yoke of the Communist government, the President stepped into political quicksand when he unwisely stated that the return of the Crown of St. Stephen would help improve the relations between Hungary and the United States.

The Carter decision to give the crown to the present Communist government of Hungary has stirred up strong protest against the turnover of this sacred symbol of Hungarian freedom and independence to a government which was established and is maintained in office by the brute power of the Soviet Union.

The story begins in the closing days of World War II when the Holy Crown of St. Stephen was smuggled from Hungary to Austria and given to American troops by 28 Hungarians who had pledged their lives to protect it. The crown, a gift to Stephen, first king of Hungary, from Pope Sylvester II in 1001, was later brought to the United States and is reportedly kept in Fort Knox, Ky.

A vital moral issue is involved and I have introduced legislation along with many other Members of Congress to insure that the President does not violate his own commitment to human rights with regard to the people of Hungary. My bill requires that the Crown of St. Stephen not be removed from the United States without the specific approval of Congress.

There is no justification for conceding the crown to a government that is obviously dominated by and dependent upon the occupying Armed Forces of the Soviet Union. The Holy Crown is not and cannot be a quid pro quo for any internal policy initiatives by the Kadar regime. Only the complete withdrawal of all foreign troops, followed by free elections, can be the basis for the return of the Holy Crown.

Although the People's Republic of Hungary has obligated itself to respect fundamental human rights by signing and ratifying the United Nations Charter and the Universal Declaration of Human Rights and by participating in the Helsinki Conference, there are no guarantees. Conceding the Holy Crown at this time would be a symbolic gesture of American acceptance of current practices and do nothing further to bind the People's Republic of Hungary to these obligations. Hungary needs to open its doors beyond the Soviet orbit and expand its trade and other contacts with the West.

Certainly the Hungarian people themselves will not benefit from the surrender of the Holy Crown to the Soviet controlled People's Republic of Hungary which could only mean that the United States was giving its approval to the oppressive Communist regime. It would be contrary to American traditions and not only an insult to those who have fought and died for freedom, but a blow to the morale of all Hungarians and freedom-loving people everywhere.

The crown is more than just a museum piece to Hungarians, it has for 1,000 years been in the possession of the true rulers of an independent Hungary and the United States should not recognize the Soviet imposed Communists as the true rulers by delivering this symbol into their hands.

Mr. Speaker, the Holy Crown of St. Stephen is a religious treasure, a revered symbol of Hungarian national sovereignty and constitutionality which has been entrusted to the United States un-

til such time as there exists a freely elected democratic government representing the Hungarian people. I am opposed and I will continue to oppose the State Department's expressed intention of buying Communist good will by surrendering the Holy Crown of Hungarian sovereignty to officials of the People's Republic of Hungary, an atheistic dictatorship imposed by Soviet trespassers.

A REPORT ON THE MIDEAST PROBLEM

HON. JOE SKUBITZ

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. SKUBITZ. Mr. Speaker, my recent trip to the Middle East was the most productive foreign congressional effort during my career in public office. As a member of a congressional delegation headed by House Majority Leader JAMES WRIGHT, I visited Egypt and Israel and spoke to the leaders of both countries. I want to share with you some of the information I received from meetings with President Anwar Sadat of Egypt and Prime Minister Menachem Begin of Israel on this invaluable factfinding mission.

The week of November 12 brought the most dramatic developments toward a Middle East peace settlement in 30 years. During this week and while the congressional delegation was visiting Egypt and Israel, President Sadat made the startling announcement of his willingness to visit Israel and talk peace with the Israelis—an offer considered almost unthinkable for any leader in the Arab world. Despite State Department critics who claimed Sadat's offer was mere theatrics, he was true to his word and flew to Jerusalem on November 19. The following day when he addressed the Israeli Knesset—Parliament—my House colleagues and I were sitting in the Knesset Chamber at the personal invitation of Prime Minister Begin.

These events were truly dramatic. Yet it is difficult to understand their historic significance without an appreciation of the tragic years preceding them and the towering problems remaining to be solved.

The Arab-Israeli conflict has brought five wars to the Middle East since 1948. It has been a particularly disruptive and bloody conflict, even by modern standards, though its origins are relatively recent. It is only in the light of the past bitterness, tragedy, and hatred that the importance of President Sadat's move for peace becomes clear. For 30 years Arab leaders have refused to recognize Israel. They have incited their people to hatred of the Jewish Nation. The Jews have insisted it is clear from past experience that the Arabs do not want peace. During the week that the congressional delegation was in the Middle East, this atmosphere was completely altered.

During our meeting with the Egyptian President, Mr. Sadat stated publicly his earnest desire to go to Jerusalem and talk

directly with the Israeli Government. We felt that we were present at the making of history. We could sense the earnestness in President Sadat's voice when he spoke of his desire for peace, and we were conscious of the vast significance of the opportunity. Sadat was making a remarkable offer—to visit not only Israel, the enemy of the Arab world, but Jerusalem, holy city of the Moslems and the symbol of Israeli occupation. I felt at the moment that we were on the brink of a possible breakthrough.

During our meeting with the Israeli Prime Minister 2 days later, Begin announced to the U.S. congressional party that Sadat had accepted his personal invitation to visit Jerusalem. Mr. Begin personally asked us to extend our visit for an extra day in order to be his guests in the Israel Parliament for Sadat's historic address. As we sat listening to Sadat's speech, I felt that a huge stride was being made.

Yet perhaps even more moving were the personal experiences demonstrating the drama of the situation. At the King David Hotel where both the congressional delegation and President Sadat were lodged, Israeli and Egyptian security police who had fought each other on the battlefield worked together to protect the Egyptian President. An Egyptian journalist remarked:

If someone had told me two weeks ago that I would be in Israel today, I would have told him he was absolutely mad.

On the sidewalks of Tel Aviv, enterprising businessmen were selling T-shirts imprinted with the smiling faces of Sadat and Begin. The first telephone communication lines between Israel and Egypt were hastily constructed. In a Jerusalem restaurant, a top Egyptian official politely heaped eggplant salad onto the plate of a man whose country had humiliated Egypt in war many times, while the Israeli in turn offered him some rice. The streets were deserted as we drove to the Parliament to hear Sadat speak—every Israeli was glued to his TV set, causing a record consumption of electricity.

The list goes on and on. Despite Sadat's initiative, however, a permanent Middle Eastern peace still is to be created. Let us turn to the problems which remain to be solved.

QUESTIONS TO BE RESOLVED IN THE MIDDLE EAST

First. Problems of territory: Except for recent partial withdrawal in the Sinai and Golan Heights, Israeli forces remain in control of the territory occupied in the 1967 war between Israel and the Arab countries. The Arabs demand complete withdrawal, since the territory previously belonged to Arab States. The Israelis, with justifiable concern, argue that the West Bank and Golan Heights are vital to their country's defense. Prime Minister Begin pointed out to us that without the West Bank, at some points Israel's border would be only 8 miles from the Ocean. As I stood on the Golan Heights, I could understand their strategic location. When the Syrians controlled them, prior to Israeli occupation, soldiers stood there

and shot Israeli farmers in the valley below.

Second. Problems of Palestinian refugees: There are now over 3 million Palestinian refugees created by the 1948 and 1967 wars. These are Arabs who fled their homes in what is now Israel during the fighting. Israel will not let them return, and has never paid them for their homes and land—which the Israeli Government seized. Many of these refugees are children born in refugee camps who have never seen their homeland. President Sadat told us that the Palestinians have been denied their land, jobs, and even their human rights for 30 years. Israeli Foreign Minister Moshe Dayan, on the other hand, told us that his country cannot absorb a wave of refugees, and that any compensation for the Palestinians must come from international sources. Both Mr. Dayan and Mr. Begin stressed to our delegation that a Palestinian state in the West Bank and Gaza would be a base for terrorist attacks against Israel.

Third. Problems of recognition: The Arab countries have up to now refused to recognize Israel so long as it occupies land taken in the wars, while the Israelis have demanded recognition and an end to belligerency before withdrawing. Sadat's visit has opened new doors here. He has painted the other Arab nations into a corner by implicitly recognizing Israel and moving toward a peace agreement. Inter-Arab rivalries for leadership of the Arab world continue, but Sadat's recognition of Israel may force the other Arab leaders to follow in his footsteps.

Fourth. Freedom of waterways: Israel demands guarantees that the Suez Canal and the Straits of Tiran will be open to Israeli ships.

Fifth. Jerusalem: Israel annexed East Jerusalem—the Old City—after the 1976 war, and now has completed control over the whole city. Because it contains shrines holy to three religions, many people feel it should be internationalized. It is difficult to understand the religious importance of Jerusalem to the Moslems and Jews without visiting the city. The Wailing Wall is part of the Second Temple, the holiest site in Judaism. For Moslems, the mosque of Al Aqsa is one of the holiest shrines of Islam, for it was from this spot that Mohammed ascended to heaven on his white horse. We watched as Moslem women cried and begged to touch one of the stones of this shrine, now under Israeli occupation. The problem of Jerusalem is considered to be the hardest to solve because the Israelis have stated repeatedly that the city is "non-negotiable." Moshe Dayan told us in a private meeting that it would be "inconsiderable to hand back Jerusalem."

Sixth. Arms race/superpower involvement: Both Israelis and Arabs continue to spend huge amounts of precious capital for arms, which are supplied mainly by the United States and the Soviet Union. The potential for superpower conflict in the Middle East is great, since both superpowers have committed so much of their power and prestige to the warring factions.

While Sadat's visit to Jerusalem did not solve any of these thorny problems, it wouldn't be expected to. The importance of his trip lies in the following fact: the Arab-Israeli conflict is not a religious conflict, nor even a territorial conflict. It is basically a psychological conflict. The Jews will forever remember the terrible holocaust of World War II and the centuries of persecution. They demand security for their State. The Arabs, whose culture places extreme emphasis on pride and dignity, demand that past wrongs be righted. In its most basic form, the conflict is between Jewish insecurity and Arab perceptions of injustice. Sadat was right when he told our delegation that the problems are "70 percent psychological and 30 percent substantive."

Sadat has broken through the massive psychological barrier between the Arabs and Israel. He has taken a concrete step toward a genuine peace settlement. The delegation can take no credit for these developments. However, the fact that both President Sadat and Prime Minister Begin used the delegation as a sounding board to send invitations and accept them, and Begin personally asked the delegation to stay on an extra day, indicates that we did play a small role in this historic event.

U.S. POLICY IN THE MIDDLE EAST

Israel, with the heaviest tax burden in the world, suffered from an inflation rate of 39 percent in 1976. Its foreign debt amounts to \$1,700 for every Israeli. Egypt, with no natural resources and an overpopulated country, is desperately poor. The congressional mission saw the "City of the Dead" in Cairo, where impoverished Egyptians live in cemeteries and mausoleums because no other housing is available. Our ambassador to Egypt told us that one of every three loaves of bread in the country comes from the United States.

Both countries spend over 30 percent of their gross national product on defense, compared to 6 percent for the United States. The United States has provided almost \$20 billion in aid to the Middle East since 1946. Aid to Israel is now running at over \$2 billion a year, while Egypt is receiving about \$900 million. We must find a way to help them beat their swords into plowshares before they bankrupt their own countries as well as ours.

Yet Sadat's peace initiative, the most hopeful sign for peace in the Middle East in 30 years, has received only lukewarm support from President Carter and his foreign policy advisers. National Security Council advisor Brzezinski has actively argued against any show of support for Sadat. Apparently Carter's foreign policy "experts" are sore about not being able to run the show in the Middle East any longer. There have been grumblings from the State Department about events in the Middle East being "out of control" of the United States since Sadat stole their thunder.

Frankly, I feel that this is an excellent time for the United States to take a back seat in the negotiations and let the two sides try working things out for themselves. I personally was proud to co-

sponsor a House joint resolution commending Sadat and Begin for the risk they have taken.

I believe it is important that Congress be aware of the major foreign policy developments in the world. For that reason, I was pleased to be a member of the leadership delegation visiting the Middle East. The bipartisan congressional concern for peace in the Middle East at a very critical and historic moment. In addition, we came away with a much greater understanding of the difficult problems yet to be resolved before peace can be achieved in the Middle East.

IN MEMORY OF LOUIS STULBERG

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. ADDABBO. Mr. Speaker, few men have made such an impact on the world or have managed to put so much energy into a lifetime as did Louis Stulberg. When he passed away Wednesday, December 14, at his home in Manhattan, he was a revered and beloved man.

All who were fortunate to have met and talked with Mr. Stulberg were drawn to him by his warmth, his concern for the welfare of workers and his unswerving dedication to the Ladies Garment Workers Union, which he led for so many years, and to which he had belonged for 50 years.

He had often been quoted as saying that next to his family, the union and its members were closest to his heart. That was a love and an affection that was totally reciprocated.

I think perhaps the story of Mr. Stulberg's death that appeared in the New York Times on December 15 tells the details about the life of this extraordinary man far better than I could, and I insert the article.

Along with my colleagues and all who cared about the labor movement, I offer my deepest condolences to Mrs. Stulberg and the rest of the family. Their loss is shared by all of us.

The article follows:

LOUIS STULBERG, FORMER PRESIDENT OF GARMENT UNION, IS DEAD AT 76

(By Damon Stetson)

Louis Stulberg, a nationally known labor leader who was president of the 400,000-member International Ladies Garment Workers Union from 1966 to 1975, died yesterday at his home at 25 Central Park West after a long illness. He was 76 years old.

As general secretary-treasurer of the union from 1959 to 1966, Mr. Stulberg labored in the shadow of David Dubinsky, his predecessor as president of the union, but that "never diminished his own shadow," one of his former colleagues said.

It was perhaps a sign of the changing labor movement that the union, born amid the sweatshops of an earlier era, turned in 1966 from the ebullient, explosive Mr. Dubinsky to a man schooled in the intricate business details of union administration, the management and investment of huge funds and the complexities of modern labor contracts.

"His presidency was one of steadiness and consolidation after the pyrotechnics of Dubinsky," a friend said.

Yet those associated with Mr. Stulberg through the years cited his personal warmth, his sensitivity to the needs of those about him, his sympathetic understanding and his considerateness.

In May 1975, after a period of failing health, Mr. Stulberg announced his plans to retire, effective in September of that year, in a moving letter to the union's general executive board.

A "MEANING TO MY EXISTENCE"

"Next to my wonderful family," Mr. Stulberg wrote, "I have loved this union above all things. For it has been all things to me—my school, my college, my door to worlds I had never dreamed of and certainly never dreamed of entering. Above all it has given a rich meaning to my existence. I have had the opportunity to work for an ideal. I have been able to serve the garment workers, to help improve their lives and to help turn some of their most important social ideals into reality. The union has made my life useful. What more can anyone ask for? I think there's nothing more."

During his presidency he felt that the expanding of unionization in the garment industry was the I.L.G.W.U.'s principal challenge "because in order to stand still we must organize."

"This is the only way," he said, "to keep up with the expansion of manufacturers, their losses and their movement from regular markets to the highways and by-ways of the country."

During his Chicago years he was more successful financially on the semipro baseball diamond as a shortstop than at the cutting board. For a time, in fact he considered a baseball career with the I.L.G.W.U. as an organizer in Toledo and the Middle West. He came to New York in 1927, got a job as a cutter and joined Cutters Local 10.

BIG ROLL IN ORGANIZING DRIVE

Two years later he became a business agent for the local and in 1933 was made assistant manager. In 1941, as head of the cutters' dress department, he played a major role in a central organizing campaign on the Eastern Seaboard, bringing thousands of new workers into the union.

He joined the union's general staff in 1945 as assistant executive secretary and was elected a vice president and member of the general executive board in 1947.

He moved up to the new post of executive vice president in 1956 and was elected secretary-treasurer in 1959. He was named president by the board in 1966, after Mr. Dubinsky resigned, and was re-elected at the 1968, 1971 and 1974 conventions. He had also been a vice president of the American Federation of Labor and Congress of Industrial Organizations.

Mr. Stulberg served in many government and public-service organizations and had been a United States representative at the United Nations and a fellow of Brandeis University.

He leaves his wife, the former Bebe Friedman; a daughter, Judith Crystal, and three grandchildren.

"There is only one answer to the problem of attracting new workers—higher wages and improved factory conditions."

When he stepped down as president he was able to cite gains in several rounds of negotiated wage and cost-of-living adjustments that had raised the pay of garment workers by 65 percent.

But the well-being of members goes beyond the pay envelope, he said at that time, noting that health care for members had been improved, a mail-order prescription program begun, death benefits doubled and pension benefits increased.

It was during Mr. Stulberg's regime that the union, one of the founders of the Liberal Party and for many years one of its chief mainstays, severed its 25-year-old tie. The union's general executive board charged that the party had weakened the liberal-labor political coalition in recent elections (prior to 1966) and had become the means through which Republicans were elected in New York State.

Mr. Stulberg, who had strongly favored the break with the Liberal Party, said that he thought disaffiliation would enable the union to do more politically.

"There will be none of the restrictions sometimes present when a union is part of a party," he added. "You can't take party discipline and continue to do what you want to do. The party left us—we didn't leave it. It was formed to back liberal, humane and progressive candidates, not to get jobs."

PUT ON THE BLACK LIST

The road to the presidency of the garment workers union was a long one for Mr. Stulberg—starting when he was a teen-aged cutter in Toronto, where he was brought three years after his birth on April 14, 1901, in Poland. He was blacklisted in Toronto for union activity and subsequently moved to Chicago and later to Toledo, Ohio. But he managed during those early years to finish high school and one year at the University of Chicago.

CONGRESSIONAL REFORM: A PROMISE UNFULFILLED

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. COUGHLIN. Mr. Speaker, the issue of congressional reform has been the highest priority for the 95th Congress. The dark days of 1976—with the detailed accounting of the misuse of House allowances, conflicts of interest, and unethical conduct—evoked a public outcry which underscored the pressing need for corrective measures. Doubts concerning the very integrity of Congress contributed to a political climate of public alienation and distrust. Additionally, there emerged wide discontent with the internal workings of the House itself—the undemocratic procedures, the obsolete committee structure, and the burgeoning legislative bureaucracy which impede this body from fulfilling its policymaking responsibilities.

Last January, Congress appeared to be genuinely committed to adopting a landmark reform agenda, representing the dedicated efforts of Members on both sides of the political aisle. Yet the high expectations which so punctuated the opening weeks of the session have been poorly realized. The pattern of the first session illustrates only hesitant and cautious moves toward reform; Republican appeals for more comprehensive initiatives have encountered outright hostility, if not rejection.

Congress, in attempting to confront the challenge of reform, has wavered. Good intentions have gone awry. A perfect example is provided by the March 2 debate on the ethics package. House Resolution 287 embraced several impor-

tant reforms including the revision of the financial disclosure rules, the abolition of slush funds, and the banning of lameduck travel. However, the resolution included an unwarranted increase of \$5,000 in each Member's allowance, a somewhat disconcerting ploy to help "buy ethics." Moreover, Republicans were prevented by the restrictive parliamentary procedures from offering crucial amendments to institute audit procedures and to require the public disclosure of the financial records of the House. Such episodes do little to inspire public confidence in the House of Representatives.

In the final analysis, the majority leadership, entrusted with the prerogatives and conveniences of power, seems unwilling or unable to endorse more than incremental changes. The second session, however, will offer a renewed opportunity to translate important reforms into law. It will be a test of our conviction if the efforts to achieve meaningful and comprehensive reforms prosper in 1978.

During this year I have been honored to serve as chairman of the House Republican Task Force on Congressional Reform. At this point, I would like to recognize the members of the task force: JOHN J. RHODES, JOHN B. ANDERSON, DEL CLAWSON, BILL FRENZEL, WILLIAM L. ARMSTRONG, ROBERT E. BAUMAN, M. CALDWELL BUTLER, JAMES C. CLEVELAND, THOMAS B. EVANS, JR., MILLICENT FENWICK, LOUIS FREY, JR., HENRY J. HYDE, ROBERT W. KASTEN, JR., JIM LEACH, DONALD J. MITCHELL, W. HENSON MOORE, JOEL PRITCHARD, RALPH S. REGULA, NEWTON I. STEERS, JR., WILLIAM A. STEIGER, and ROBERT S. WALKER.

It is customary, at year's end, to assess the accomplishments and document the shortcomings of the legislative session. Before presenting a summary review of the session, I would like to comment briefly on several reform concerns which merit our immediate attention.

COMMITTEE REFORM

The present committee system is an outmoded, antiquated structure. The overlapping jurisdictional lines, the unbalanced workloads, the explosion of subcommittees, the multiple assignments resulting in continual scheduling conflicts are evidence of the need for reform. The highest priority for this Congress is the rationalization and realignment of the committee structure. Casual improvisation or periodic tinkering is no longer sufficient.

The institutional defects are highly visible. The House Rules Committee is constantly forced to assume the role of referee in jurisdictional skirmishes among committees. Comprehensive policy integration and coordination is rarely achieved. Such major public policy issues as energy or welfare are so poorly accommodated by the crazy quilt of committees that they must be assigned to specially created select or ad hoc units. As a result, the policymaking role of the House is needlessly fragmented—responsibility for coherent program development is so widely dispersed that any degree of accountability is lost.

AUDITS

The scandals which plagued the House in 1976 underscore the need for a professional, systematic auditing of our financial operations. Members on this side of the aisle have long advocated efforts to institute thorough audits of House accounts. This year, in addition to an avalanche of auditing resolutions, Republicans have sought to incorporate auditing initiatives in House Resolution 287, the ethics resolution, and House Resolution 383, the resolution establishing a Select Committee on Ethics—but the restrictions imposed on debate blocked such efforts.

With House Resolution 766, the ill-fated administrative reorganization resolution, a limited, internal auditing role was proposed. However, the thrust of an in-house audit, positioned in the midst of a partisan thicket, would accomplish little in restoring the public's trust. The keystone to the reform of the financial operations of the House is the adoption of an independent, outside, mandatory, audit procedure.

HOUSE ALLOWANCE GAME

It seems uniquely inappropriate that each time the House considers a major reform package, provisions are usually included to enrich Member's personal allowances. For example:

Last year, in response to the extensive irregularities in the operation of House finances, the consolidated account system was adopted. Misunderstood by both the public and the press, the consolidated account has allowed Members to maximize the use of taxpayers' money to bolster the advantages of incumbency.

In March, with the adoption of the ethics resolution, each Member was provided with a \$5,000 supplement for office expenses.

In September, the House voted to increase the district office rental allowance by 67 percent, giving each Member, on the average, a \$7,900 boost in allowances.

And in October, an unsuccessful effort was made to graft a new \$12,000 computer allowance onto the multitude of congressional perquisites already available.

Each new increase, of course, represents a hefty charge to the American taxpayer. The March ethics sweetener, for example, will cost more than \$2 million; the September district office allowance boost, over \$3 million.

More important, each new benefit weights the scale on the side of the incumbent, and discriminates against any potential challenger. There exists a fine line between providing adequate allowances to service the needs of a congressional district and providing allowances so excessive that they fuel reelection machines and entrench incumbents. Political commentators document how the growing pool of congressional allowances has insured incumbent reelection victories.

Recently the Committee on House Administration has issued new regulations streamlining nine accounts into one official expenses allowance. What is needed, however is not regulations to facilitate the use of taxpayers' money but rather

an honest appraisal and reduction of the amounts now available.

PUBLIC DISCLOSURE OF HOUSE EXPENDITURE RECORDS

Although the official allowances of the House are derived from public tax dollars, disclosure of the manner in which these funds are utilized is quite limited. Currently, the only information available is a summary listing published by the Clerk of the House. The original vouchers for both Members and committees remain closeted from view. Yet the accessibility of these records is central to the fundamental issue of restoring accountability.

On May 9 the reform task force introduced a resolution to require the Clerk to make such records available for public inspection. The task force believes that the public and the press possess a valid right to know how Congress is using tax dollars in the funding of its operations. Regrettably this view is not shared by the leadership in Congress as the resolution remains buried in committee.

CLOSED RULE SYNDROME

Closed rules have long been employed to impart an acute parliamentary advantage to the supporters of a particular bill by thwarting the introduction of unwanted amendments. Naturally, such undemocratic parliamentary procedures obstruct the membership of the House from participating actively in the course of deliberation. In too many cases, by excluding the possibility for judicious amendments, imperfect legislative vehicles are accorded House approval.

Throughout the first session, the consideration of reform legislation, time and again, proceeded under such antidemocratic settings. For example, the ethics package and the administrative reorganization resolution were considered under what was labeled euphemistically as a "modified" closed rule—this in essence means that only those amendments acceptable to the majority leadership are in order. More appalling, the adoption of the House Rules afforded no opportunity for amendments. Unfortunately, it is safe to assume that a task force-sponsored resolution to prohibit closed rules will receive scant attention in the current Congress.

A further note should be made of the overuse of suspensions, which are, in effect a form of closed rule. Originally, the suspension procedure was intended to facilitate the passage of bills which were uncomplicated and noncontroversial in nature. However, during the 95th Congress, numerous measures which deserved careful consideration were stamped through under suspension of the rules. The task force believes that such abuse is detrimental to the legislative process and that necessary corrective action should be instituted. Several reform proposals advanced by the task force include:

Reducing suspension days to 2 a month;

Placing a dollar ceiling amount on bills brought up under suspension, and

Allowing a bill to be brought up under suspension only if the chairman and the ranking minority member of the committee so request, or unless two-thirds of

the committee, by recorded vote, instruct the chairman to make such a request.

The list of necessary reforms still awaiting action—such items as an accurate CONGRESSIONAL RECORD, a ban on proxy voting, a firm schedule—published in advance—of House business, open committee records, more effective congressional oversight, improved reporting of committee travel funds, and equitable committee staffing for the minority—indicate the work ahead. This House cannot afford to revert to "business as usual", nor succumb to face-saving gestures passed merely to ensure immediate political dividends. It is our opportunity and our obligation to meet the challenge of reform in a manner responsive to the interests and needs of the American people.

The summary review of the session follows:

STATUS REPORT ON CONGRESSIONAL REFORM LEGISLATION—FIRST SESSION, 95TH CONGRESS

PART I: LEGISLATION PASSED IN THE 95TH CONGRESS

1. House Rules (H. Res. 5). Passed House 1/4/77—Vote: 256-142.

Comment: The House Rules were adopted under a limited debate, no-amendment procedure imposed by the Democratic leadership. A Republican effort to vote down the previous question in order to open the rules for amendment was defeated by a vote of 261-140.

These Democratic restrictions had two damaging effects. First, this procedure precluded a serious review of rules changes—one-third quorums for committee markup, an increase in suspension days, quorum call restrictions in the House and Committee of the Whole, and an extension of committee subpoena power—drafted behind closed doors of the Democratic Caucus. Second, this procedure prevented the introduction of a number of Republican-backed reform amendments including proposals to:

Ban all proxy voting in committees;

Limit all standing committees (except Appropriations) to six subcommittees;

Facilitate the procedures by which a member of a committee may demand a roll call vote;

Require that words actually spoken on the floor be distinguished in the Congressional Record from remarks which are inserted;

Provide continuous broadcast coverage of House floor proceedings;

Permit the House to direct the Ethics Committee to undertake an investigation and require the Committee to report on every investigation undertaken;

Apply House committee rules to special ad hoc, and select committees;

Require each House committee to keep a verbatim transcript of all committee action to be made available to public inspection;

Allow committee hearings to be closed to the public only if disclosure of matters to be discussed would endanger national security, violate any law or rule of the House, or involve committee personnel or budget matters, and

Impose restrictions on the use of suspension of the rules.

Following the Rules debate, Rep. John Anderson introduced these amendments as a reform package to provide a well-needed ray of sunshine on the handling of legislative business. The Democratic leadership has yet to allow these measures to reach the floor.

2. Korean Investigation (H. Res. 252). Passed House 2/9/77—Vote: 388-0.

Comment: The resolution authorized the investigation of the Korean influence-buying scandal by the Committee on Standards of Official Conduct.

Regrettably, the Committee's inquiry has been conducted at so slow a pace that the special counsel to the probe resigned in protest in July. Republican (and reform-minded Democrats) have petitioned for the creation of a Watergate-type special prosecutor to assume responsibility for the investigation but to no avail. The Democratic leadership seems more intent to sweep the facts under the rug than to provide any meaningful disclosure.

3. Ethics Resolution (H. Res. 287). Passed House 3/2/77—Vote: 402-22.

Comment: Perhaps the most pressing item facing the 95th Congress is the need to establish new standards of ethical conduct. By the end of February, the Commission on Administrative Review had drafted an omnibus ethics resolution. When the ethics package was introduced for House consideration, no amendments, other than those approved by the Democratic leadership, were permitted. A stronger, more comprehensive ethics resolution, sponsored by Rep. Bill Frenzel, was ignored by the Democrats. A Republican effort to open the ethics package to amendment was defeated by a vote of 267-153.

The ethics resolution did pass the House by an overwhelming bipartisan vote. It established stricter financial disclosure rules on members' personal finances; abolished office "slush funds" beginning in 1978; limited the outside earned income of House members; imposed limitations on the use of the congressional mailing privilege; placed restrictions on the acceptance of gifts and honoraria; and banned lameduck travel.

While accounting for the personal finances of members, the ethics resolution failed to establish needed restrictions on the use of public funds by the House of Representatives. The Republican Task Force on Congressional Reform, led by Chairman Larry Coughlin had sought to introduce amendments to:

Provide for the full public disclosure of the expenditure records of the House;

Institute a non-partisan, systematic and independent auditing authority;

Provide for the disclosure of nepotism;

Reject the Commission on Administrative Review's provision to award each member an unwarranted \$5,000 increase in House allowances, and

Require immediate abolishment of unofficial office accounts, or "slush funds."

The Task Force believed that these amendments would mark a significant victory for reform. However, the restrictions imposed on debate blocked any consideration of these crucial additions.

4. Select Committee on Ethics (H. Res. 383). Passed House 3/9/77—Vote: 410-1.

Comment: Democrats imposed a no-amendment procedure on debate. A Republican effort to open up the resolution for further debate and possible amendment was defeated by a vote of 242-175. Republican amendments, sponsored by Rep. John Anderson, included:

Giving the Select Committee the responsibility of recommending a systematic and periodic audit of matters required to be disclosed under the financial ethics resolution (H. Res. 287), including the expenses and allowances of House members, committees and officers;

Giving the Select Committee the responsibility of making recommendations for improving procedures for handling of allegations of official misconduct in the House Committee on Standards of Official Conduct, and

Permitting the House to review and disprove any interpretive regulations proposed by the Select Committee.

Again, restrictions on debate barred discussion of significant GOP amendments.

Note: The Select Committee was due to expire on 12/31/77. The House on 10/31/77 adopted H. Res. 871 by a vote of 385-22 extending the life of the Select Committee until the completion of its official business.

5. Broadcasting of House Proceedings (H. Res. 404). Passed House 3/15/77—Vote: 398-10.

Comment: This resolution authorized the House Rules Committee to evaluate the impact of television coverage of House proceedings after the completion of a 90-day test begun on 3/15/77.

The Republican Task Force on Congressional Reform has, for years, favored broadcasting coverage of House floor proceedings. The Democratic leadership, however, has been less than anxious to provide the American people with the opportunity to observe their representatives in action. H. Res. 404, sponsored by Rep. John Anderson (R-Ill.), sought to ensure that the results of the 90-day test would be properly and carefully assessed with the anticipation that a broader range of media coverage could then be instituted.

6. District Office Allowance (H. Res. 687). Passed House 9/20/77—Vote: 215-193.

Comment: H. Res. 687 increased the office rental allowance from 1500 to 2500 square feet. In dollars and cents, this amounts to an average increase of approximately \$7,900 per Member or an additional cost to the taxpayer of nearly \$3.5 million per year.

Each year, like clockwork, the Congress sweetens the perquisites afforded to incumbent members. This new bonanza to increase the office rental allowance followed closely on the \$5,000 per Member increase which was voted in the March ethics resolution (see vote #3). As noted by GOP Task Force Chairman Larry Coughlin, there was little justification for this increase—it appeared only as a means to further bolster the advantages of incumbency.

7. Administrative Organization and Legislative Management Services Reform (H. Res. 766). House defeated rule under which H. Res. 766 was brought to the floor for House consideration 10/12/77. Vote: 160-252.

Comment: The present administrative system of the House of Representatives is a complicated patchwork which has developed without the benefits of rational planning, resulting in fragmented responsibilities.

The Commission on Administrative Review undertook a lengthy study of the inadequacies of the system—its recommendations were incorporated in H. Res. 766. A series of extensive changes in the administrative structure and internal operations of the House were proposed including: the creation of a powerful Administrator to direct and plan the day-to-day administrative and support operations of the House, the establishment of a limited auditing procedure, and the creation of a select committee to review the current committee structure of the House.

As drafted, however, the resolution included a number of defects:

The Minority Party had negligible input in the selection or the removal of the Administrator.

The post of Administrator with accompanying support staff appeared merely to superimpose another layer of bureaucracy over an antiquated administrative structure. The resolution failed to indicate any consolidation or streamlining of existing units.

No independent, outside audit procedure of the internal operations of the House was proposed.

A host of new benefits to incumbents would have resulted; most notably, a \$12,000 computer allowance.

To add insult to injury, the Democratic leadership brought the resolution to the floor under a parliamentary procedure which restricted the offering of corrective amendments. In a unique bipartisan effort, 113 Democrats joined 139 Republicans in defeating this arbitrary parliamentary rule. To date, the Democratic leadership has been unwilling to allow this package to be reconsidered under an open rule.

8. Broadcasting of House Proceedings (H. Res. 866). Passed House 10/27/77. Vote 342-44.

Comment: This resolution provides for a system of closed circuit viewing of House proceedings in Members' and committee offices, and directs the Rules Committee to conduct a study of possible alternatives (e.g. a network pool) in providing broadcast coverage of House floor action. The Committee's findings are to be reported to the House by February 15, 1978.

SENATE

1. Committee Reorganization (S. Res. 4). Passed Senate 2/4/77. Vote: 89-1.

Comment: The resolution revised committee jurisdictions, reduced the number of committees, and provided that minority members receive a proportional share of committee staff and resources.

2. Ethics Resolution (S. Res. 110). Passed Senate 4/1/77. Vote: 86-9.

Comment: On 7/14/77, five Senators announced the initiation of a court suit challenging the constitutionality of the new ethics code.

PART II: LEGISLATION REPORTED FROM COMMITTEES

1. Lobby Disclosure (H.R. 1180, S. 1785). House: Judiciary Subcommittee on Administrative Law and Governmental Relations approved for full committee action a clean bill, H.R. 8494 in lieu of the original H.R. 180, 7/21/77. Full committee consideration expected in January.

Senate: Governmental Affairs Committee held hearings on S. 1785 in August.

Comment: Among its detailed provisions, H.R. 8494 adopted a formula basing requirements for registering and disclosing lobbying activities on: a) level of dollar expenditures for lobbying by an organization in a given calendar quarter and b) the number of days spent by organization employees in making lobbying communications.

2. Financial Disclosure.
(a) Legislative Branch Disclosure Act of 1977 (H.R. 7401).

House: Select Committee on Ethics reported bill on 8/5/77.

Comment: The bill provides for the filing of annual financial disclosure reports by Members of Congress, officers, professional staff members of a committee, principal assistants to Members (at GS-16 or above), and candidates for congressional office.

(b) Ethics in Government Act of 1977 (H.R. 1).

House: Reported by Judiciary Committee 11/2/77.

Comment: As reported, Title I of H.R. 1 is left blank for the purpose of inserting the language of H.R. 7401 upon approval by the House. Titles II and III of H.R. 1 set forth disclosure guidelines for executive and judicial branch personnel.

(c) Public Officials Integrity Act of 1977 (S. 555).

Senate: Passed Senate 6/27/77—Vote: 74-5.

Comment: The bill would: 1) establish an office of Congressional Legal Counsel to defend Congress in litigation, 2) require that top-level federal officials file annual public financial disclosure reports, and 3) establish an Office of Government Crimes (within the Justice Department) to handle investigation of government officials charged with criminal abuse of office.

LOUIS STULBERG DEAD AT 76

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. RANGEL. Mr. Speaker, yesterday our country and the world suffered the loss of a great American. Louis Stulberg, former president of the 400,000-member International Ladies Garment Workers Union, died in New York City at the age of 76.

Mr. Stulberg dedicated his life to organizing and improving the working lives of garment workers. While leading the union, Stulberg was able to increase the amount of members' paychecks, improve their health care plans, institute a mail-order prescription program, double death benefits as well as increase pension benefits.

Mr. Stulberg's great contributions to organized labor will be long remembered.

The text of the New York Times article follows:

LOUIS STULBERG, FORMER PRESIDENT OF GARMENT UNION, IS DEAD AT 76

(By Damon Stetson)

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In May 1975, after a period of failing health, Mr. Stulberg announced his plans to retire, effective in September of that year, in a moving letter to the union's general executive board.

A "MEANING TO MY EXISTENCE"

"Next to my wonderful family," Mr. Stulberg wrote, "I have loved this union above all things. For it has been all things to me—my school, my college, my door to worlds I had never dreamed of and certainly never dreamed of entering. Above all it has given a rich meaning to my existence. I have had the opportunity to work for an ideal. I have been able to serve the garment workers, to help improve their lives and to help turn some of their most important social ideals into reality. The union has made my life useful. What more can anyone ask for? I think there's nothing more."

During his presidency he felt that the expanding of unionization in the garment industry was the I.L.G.W.U.'s principal challenge "because in order to stand still we must organize."

"This is the only way," he said, "to keep up with the expansion of manufacturers,

their losses and their movement from regular markets to the highways and by-ways of the country.

During his Chicago years he was more successful financially on the semipro baseball diamond as a shortstop than at the cutting board. For a time, in fact, he considered a baseball career. But he became immersed in the labor movement and began his career with the I.L.G.W.U. as an organizer in Toledo and the Middle West. He came to New York in 1927, got a job as a cutter and joined Cutters Local 10.

BIG ROLE IN ORGANIZING DRIVE

Two years later he became a business agent for the local and in 1933 was made assistant manager. In 1941, as head of the cutters' dress department, he played a major role in a central organizing campaign on the Eastern Seaboard, bringing thousands of new workers into the union.

He joined the union's general staff in 1945 as assistant executive secretary and was elected a vice president and member of the general executive board in 1947.

He moved up to the new post of executive vice president in 1956 and was elected secretary-treasurer in 1959. He was named president by the board in 1966, after Mr. Dubinsky resigned, and was re-elected at the 1968, 1971 and 1974 conventions. He had also been a vice president of the American Federation of Labor and Congress of Industrial Organizations.

Mr. Stulberg served in many government and public-service organizations and had been a United States representative at the United Nations and a fellow of Brandeis University.

He leaves his wife, the former Bebe Friedman; a daughter, Judith Crystal, and three grandchildren.

"There is only one answer to the problem of attracting new workers—higher wages and improved factory conditions."

When he stepped down as president he was able to cite gains in several rounds of negotiated wage and cost-of-living adjustments that had raised the pay of garment workers by 65 percent.

But the well-being of members goes beyond the pay envelope, he said at that time, noting that health care for members had been improved, a mail-order prescription program begun, death benefits doubled and pension benefits increased.

It was during Mr. Stulberg's regime that the union, one of the founders of the Liberal Party and for many years one of its chief mainstays, severed its 25-year-old tie. The union's general executive board charged that the party had weakened the liberal-labor political coalition in recent elections (prior to 1966) and had become the means through which Republicans were elected in New York State.

Mr. Stulberg, who had strongly favored the break with the Liberal Party, said that he thought disaffiliation would enable the union to do more politically.

"There will be none of the restrictions sometimes present when a union is part of a party," he added. "You can't take party discipline and continue to do what you want to do. The party left us—we didn't leave it. It was formed to back liberal, humane and progressive candidates, not to get jobs."

PUT ON BLACK LIST

The road to the presidency of the garment workers union was a long one for Mr. Stulberg—starting when he was a teen-aged cutter in Toronto, where he was brought three years after his birth on April 14, 1901, in Poland. He was blacklisted in Toronto for union activity and subsequently moved to Chicago and later to Toledo, Ohio. But he managed during those early years to finish high school and one year at the University of Chicago.

TIMBER HARVESTING IN THE BWCA

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. OBERSTAR. Mr. Speaker, the wood fiber industry in northeastern Minnesota employs some 9,000 people with an annual payroll of \$135 million. House consideration of legislation to set the future management of the Boundary Waters Canoe Area has raised the very complex question of the potential impact of a ban on timber harvesting in the BWCA on the growth of this important industry to the economy of northeastern Minnesota.

While my colleague, DON FRASER, and I have introduced legislation which differs on other aspects of BWCA management, we are in agreement that the 400,000 acres of BWCA virgin timber stands should be protected. The BWCA is located entirely in the district I represent. At present, four logging companies hold a total of six valid timber sales on virgin timber within the boundary waters.

The 8th Circuit Court of Appeals in 1976 recognized the right of these companies to log.

In order to protect the virgin timber and in order to enable Congress to formulate a well-reasoned, comprehensive plan for the future management of this resource, in December 1976 I worked out with the wood fiber industry a voluntary moratorium on logging within the BWCA. In November of this year, the companies at my request agreed to an extension of that moratorium.

The bill I have introduced provides for timber harvesting only of second growth timber in what is now the portal zone of the BWCA.

While there is softwood timber outside of the BWCA, it is not adequate to meet the short-term needs of the industry nor to generate the softwood yield necessary for the growth of the industry. The timber industry has agreed in principle to a phase-out of timber harvesting over 30 years if it can be guaranteed the availability of sufficient quantities of replacement softwood timber from the balance of the Superior National Forest, outside the BWCA.

The Forest Service has recently completed an assessment of the effect of a total ban on timber harvesting in the BWCA. The service estimates the potential annual loss to be 1,190 jobs and \$30 million.

I would like to share with my colleagues articles which recently appeared in the Minneapolis Tribune and the Duluth News-Tribune which discuss the Forest Service study and the moratorium on logging.

The articles follow:

[From the Duluth (Minn.) News Tribune, Dec. 4, 1977]

BWCA TIMBER BAN COULD COST \$30 MILLION PER YEAR

(By Jim Blubaugh)

A ban on timber harvesting in the portal zone of the Boundary Waters Canoe Area

could have adverse impacts on Northeastern Minnesota's timber industry for up to 20 years, a recently released U.S. Forest Service report indicates.

But after that time, when extensive plantations now approaching 30 years old begin to mature, the situation should be alleviated. And there are alternatives which could lessen the impacts, according to the report.

The potential annual loss would be about \$30 million and about 1,190 jobs—"this, of course, would not occur immediately"—should there be a ban, the report indicates.

The report is from Forest Service chief John J. McGuire in response to a House subcommittee working on a BWCA bill. The subcommittee on national parks and insular affairs, chaired by Rep. Phillip Burton of California, is drafting a bill after two Minnesota congresspersons failed to reach a compromise.

Rep. James Oberstar wants to establish a national recreation area in which limited harvesting would be allowed (none in a wilderness zone). Rep. Donald Fraser wants a complete wilderness with no timber harvesting. A Carter administration proposal backs Fraser's bill in regard to no timber harvesting.

The subcommittee bill is expected to be completed in January or February.

Minnesota's timber industry has tentatively agreed to a logging phaseout in the BWCA in exchange for access to timber on other state and federal lands. It appears to favor exchange over financial compensation. Gov. Rudy Perpich, who supports a logging ban, has indicated that he will ask the legislature for funds to compensate the industry. He proposes to increase timber harvest on state lands.

About 10.5 million of the 22 million board feet of softwoods which could be cut annually would be available under Oberstar's bill. All would be lost under Fraser's bill.

About \$710,000 in damages might result if the six existing timber sales, most of which lie in "virgin" forest areas, are terminated. They are East Tofte (Abitibi) \$36,308; West Tofte (Abitibi) \$299,693; Jerry Creek (Potlatch) \$63,819; Sunnysdale (Potlatch) \$194,635; Beartrap (Kainz) \$89,957 and Shell Lake (Boise Cascade) \$25,411.

The key to the adverse impacts on the timber industry and local economies lies in the availability of softwoods, notes the report. The supply is expected to be "tight" if no cutting is allowed.

There has been little cutting in the BWCA the past five years because of moratoriums which remain in effect. During this time, however, softwood sales have been maintained at previous levels and existing sales have been cut within the Superior National Forest.

The report notes that phasing out cutting could be viewed as an extension of the moratoriums and on the surface there appears to be no immediate problem. But if the BWCA is withdrawn from cutting, existing sales and volumes which could be offered would be reduced.

Smaller operators would be most affected as they would find it difficult to successfully compete for the available timber. "At the present time," the report reads, "the forest products industry in the area is dependent upon softwood lumber and pulpwood. Removal of a substantial portion of the available and prospective softwood supply will have adverse impacts on the dependent industry and economy."

It appears that the volume can't be made up on other lands, either. "Harvesting on the Chippewa National Forest has been equal to the allowable cut for the last 10 years. The recent increase in prices indicates that a similar situation exists on state and private lands."

Administratively, about \$44 million will be needed over the next 10 years to catch up

with an existing backlog of timber management outside the BWCA (10 full-time employees also would be needed). The Superior feels this is necessary with or without a ban, however, and has projected it in preliminary budgets through 1984.

The report also analyzes the costs between an immediate phaseout and one of 20 years. It projects little difference.

"Immediate termination has a potential for high damages being paid. Also, there will be some economic impact on the operators in the more competitive situation which will exist if harvesting in the Portal Zone is prohibited," the report reads.

"On the other hand, continued harvesting is quite controversial and we can foresee continued court action. Due to environmental considerations, the portal zone is an expensive place to operate. There have been no sales made in the area since 1968 and there would be costs associated with re-establishing a sales program."

Probably the most cost efficient alternative, according to the report, would be to allow the existing sales to be harvested and make no new ones. Cutting would last about five years.

The report did not deal with the productivity of BWCA lands for tree growing. Environmentalists contend that research shows it is low, however, and that funds should be put toward improving productivity in better growing areas.

Increased research on hardwood utilization and marketing to develop substitutes for the industry's dependence on softwood timber is one of four ways short-term impacts of a ban could be minimized, says the report. Advanced road building, timber substitution outside the BWCA and changes in allowable sustained yields are the others.

The report also answers some other questions brought out at hearings last summer:

About \$5.6 million would be needed to acquire county and private lands under Fraser's recommended wilderness area. About \$3.6 million would be needed to acquire private lands in Oberstar's NRA. And \$1.1 million would be needed to acquire private land on the Superior and Chippewa to help provide for more efficient timber management programs and possibly service to improve the softwood timber supply situation. The first two figures already are reflected in the administration's program.

Mitigative costs under the Fraser bill would be \$385,000 for non-BWCA lake access needs, \$160,000 for snowmobile trails and \$1,168,000 for increased camping capacity.

Estimated cost to purchase 35 resorts in the NRA under the administration bill would be \$8.7 million.

[From the Duluth (Minn.) News Tribune, Nov. 9, 1977]

5 BWCA LOGGING MORATORIUMS EXTENDED (By Lee Egerstrom)

WASHINGTON.—The moratorium on logging in the Boundary Waters Canoe Area (BWCA) will be extended on five of six leases in the federal wilderness, and no logging is likely in the near future under the final lease.

The extension of the moratorium, worked out following a series of meetings Tuesday involving two Minnesota Congress members, appears to apply to all but the 180 acres in the East Tofte sale near Ely.

The U.S. Forest Service had encouraged the logger, Harry Fischer of Grand Rapids, to proceed with the cuttings. The land involved had mostly been logged, and the Forest Service hoped Fischer's cuttings would clear the area for new growth.

Reps. James Oberstar and Bruce Vento, both Minnesota DFLers, encouraged Forest Service chief John Maguire to stop all logging while Congress continues working on legislation redefining uses and boundaries of the BWCA.

Oberstar, who represents the Northern Minnesota area, and Minneapolis DFL Rep. Donald Fraser have BWCA legislation before the House Interior Committee. Vento is a member of the committee and is working with the subcommittee trying to weld a compromise between Oberstar and Fraser bills.

Oberstar told Maguire and Agriculture Secretary Bob Bergland Tuesday that if the Forest Service continues to push for cuttings in the East Tofte sale, it should take Minnesota environmentalists to the area beforehand. The Forest Service contends that East Tofte logging would not have a detrimental effect on the BWCA environment.

The two Congress members were also in contact with the Kainz Logging Co. at Ely. Both pledged to work for legislation that will compensate the Ely firm for the \$50,000 to \$60,000 it has spent on its lease.

Vento said he has talked to the subcommittee chairperson, Rep. Phillip Burton, D-Calif., and other members of the panel pushing for compensation for the lease holders.

"Jim (Oberstar) is concerned about this because it is the small guy that really gets hurt," Vento said.

Vento added the Forest Service could spell out regulations that would virtually drive loggers out of the BWCA. But he said that action "would be an abuse of power to obtain the same end."

"It looks good now for the moratorium," he added.

The four logging companies holding the six leases in the BWCA voluntarily agreed a year ago to sit on their lease while Congress considered the future of the BWCA. The moratorium expired as new legislation failed to win passage this year.

VIRGIN TIMBER WON'T BE CUT (By Al McCoughlin)

WASHINGTON, D.C.—The U.S. Forest Service and the forest-products industry have agreed not to harvest virgin timber this season in the Boundary Waters Canoe Area (BWCA), Rep. James Oberstar announced Tuesday.

John R. McGuire, Forest Service chief, told him there will be no cutting on all six key tracts in the BWCA, Oberstar reported after a meeting yesterday with agency officials.

The Forest Service earlier wanted to "clean up" a 100-acre East Tofte tract, but now has agreed not to press that plan, the Eighth District Democrat added.

Oberstar said that the Forest Service will attempt to acknowledge the special interest that Kainz Logging Co. of Ely, Minn., has in finding an alternative supply of sawmill timber.

Kainz claims to have invested \$50,000 in putting roads into the area on which it purchased cutting rights. Oberstar said compensation for this is expected to be written into new BWCA legislation.

The industry-Forest Service agreement eased fears that the inability of Congress to act on the BWCA dispute this year threatened cutting of BWCA virgin tracts.

Oberstar said that when he met last week with Rupert Cutler, assistant agriculture secretary in charge of the Forest Service, the agency planned to continue with the East Tofte harvest.

Oberstar argued that environmentalists ought to be involved in any decision to continue cutting virgin timber in the BWCA, the congressmen said, and this week the agency ruled out all logging.

"My feeling is that this bodes well for the future," Oberstar added. He said the Forest Service and industry both sought to accommodate the public interest—an end to harvesting of BWCA virgin timber.

The congressman, whose district includes the BWCA, said the willingness of industry not to cut in the area would help in reach-

ing a solution about harvesting in the non-virgin areas of the BWCA.

Oberstar is seeking a phase-out of logging of nonvirgin stands in the canoe area that would be matched by intensified forestry practices in alternative federal areas outside the BWCA.

Earlier, Rep. Morris Udall, D-Ariz., head of the House Interior Committee, and Rep. Phillip Burton, D-Calif., chairman of a key subcommittee, urged the Agriculture Department to ban logging of virgin timber in the BWCA.

There was no harvest of virgin timber in the BWCA last year because of a voluntary agreement by the four firms holding cutting rights. But that arrangement expired in September.

Conservationists contended that about 10,000 acres of virgin wilderness would be damaged if logging were allowed to proceed this season.

The four firms involved in the agreement are Potlatch Corp., Claquet, Minn.; Boise Cascade Corp., International Falls, Minn.; Kalnz and North Shore Forest Products, Grand Marais, Minn.

TRIBUTE TO DR. SAMUEL J. N. SUGAR

HON. GLADYS NOON SPELLMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mrs. SPELLMAN. Mr. Speaker, I rise to pay tribute to Dr. Samuel J. N. Sugar, an outstanding physician who has been serving the people of Prince Georges County in Maryland for more than 30 years. Recently, many of his colleagues and friends gathered to honor him at a testimonial dinner to express their appreciation for his contributions to the field of nuclear medicine. Dr. Sugar pioneered in this discipline at Prince Georges General Hospital, where, in the spring of 1955, he established the Department of Nuclear Medicine. The "Curriculum Vitae," which I am appending, depicts his many years of study and the great strides made under Dr. Sam Sugar's leadership at Prince Georges Hospital in providing nuclear health care.

Year-by-year advancements were made—year after year, more and more sophisticated procedures were available to patients. We will probably never be able to judge how many owe their lives to the dedication of this fine physician.

I considered myself privileged to be able to add my voice to the many others as they extolled the accomplishments of Sam Sugar.

I first met Dr. Sam and his lovely wife, Naomi, many years ago. I can say, without hesitation, that they are people I am proud to list among my friends—devoted to each other, to their family, and to their fellow man.

Mr. Speaker, I know my colleagues join with me in extending to Sam Sugar our best wishes as he continues the practice of medicine:

"CURRICULUM VITAE" OF SAMUEL J. N. SUGAR, M.D.

1910—Born in Southeast Washington, D.C.

1931—Graduate in pharmacy, George Washington University.

1938—M.D., George Washington University.
1938 to 1941—Resident in medicine, Galinger Municipal Hospital, Washington, D.C.
1941 to 1945—U.S. Army, service overseas in European Theatre of Operations.

November 1945—Practice in internal medicine started in Mt. Rainier, Md.

Spring 1955—Department of Nuclear Medicine opened at Prince George's Hospital. Formal training in isotope procedures obtained at Oak Ridge Institute for Nuclear Studies in Tennessee. The state of Maryland was one of the sponsors for this course.

1955 to 1960—Research in diabetes mellitus. Use of oral antidiabetic agents for control. Grants from pharmaceutical companies used to purchase instruments for radioisotope lab at Prince George's General Hospital.

1956—Thyroid studies using radio-iodine 131; followed by blood volume estimation and cardiac output function.

1957—Kidney function and brain scans using Mercury 203. Treatment of goiter with hyperthyroidism using iodine 131.

1958 to 1965—Development of lung scanning followed by liver and spleen visualization. Use of gamma camera for dynamic studies of organ function as well as static images.

1966 to 1971—Treatment of cancer of prostate with radioactive gold. Procedure performed in conjunction with surgery by Dr. Louis Bachrach. Cancer of thyroid treatment with radioactive iodine. Abdominal cancers treated with radioactive phosphorus.

1972 to present—Radio-immuno assay lab studies. Determination of hormone and vitamin levels in blood.

Department procedures performed: 1964—1,962; 1975—27,250.

Today the department is one of the largest in the Tri-State area performing the large volume and variety of nuclear medicine procedures.

INVESTIGATION OF KOREAN- AMERICAN RELATIONS

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. DERWINSKI. Mr. Speaker, with much fanfare, our subcommittee investigating South Korean-American relations recently revealed the contents of a plan presumably drafted for the Korean CIA which outlined a scheme for influencing various elements in the U.S. Government as well as other influential centers in American society.

A quick scan of many of the headlines and news stories triggered by this disclosure could easily cause one to come to conclusions that cannot be substantiated by what has so far been furnished me and other members of the subcommittee charged with the responsibility of conducting this wide ranging probe of the various facets of the United States-Korean relationship.

For example, many who have not had time to read these stories in their entirety may be of the opinion that the plan was actually implemented. (I sometimes get the impression that the headline writers have not thoroughly read the articles themselves.) Judging from what I have seen to date, nothing has been disclosed to suggest that. In fact, Mr. Sohn Ho Young, a former KCIA official in New

York City and the star witness of the hearings, said in response to my questioning that not only were some sections of the plan inflated to impress KCIA headquarter officials in Seoul, but also that he had no knowledge of any part of it being translated into reality. Moreover, as he put it, "commonsense tells me that this plan was not carried out."

Mr. Sohn went on to add that both he and other South Korean personnel posted in the United States during the time the plan was formulated seriously doubted they could carry it out. In this context, Mr. Sohn reminded us that when the plan was drafted, Tongsun Park's alleged influence-peddling activities were already widely publicized. Consequently, KCIA operatives in the United States were instructed to "keep a low profile," he said.

In view of the foregoing, it is not at all surprising that Washington Star correspondent, Ron Sarro, in a discerning analysis of the hearings wrote that:

Congressional investigators probing the Korean influence peddling scandal have been finding that agents of President Park Chung Hee's government used a lot of blue smoke and mirrors to prove to Seoul they were masters of clandestine operations in the United States. (Washington Star, Nov. 30, 1977.)

In addition to Mr. Sohn, the subcommittee also heard testimony from Mr. Lee Chong Sik, professor at the University of Pennsylvania; Mr. Kim Young Chin, professor at George Washington University; Admiral Gene R. LaRocque, Center for Defense Information; and Mr. H. Alan Krause of the U.S. State Department.

Each of these individuals was reputedly targeted for manipulation and/or co-optation in the 1976 KCIA plan for operations in the United States. Of special interest was the fact that all of these witnesses testified about contacts with Korean officials in 1974 and 1975. None of these witnesses had any information which in any way related to the now-famous 1976 plan. Thus, we have had a dramatic announcement and release of the plan but no evidence as to its source, whether it was ever put in operation, and if so, what the results may have been.

I would also like to bring to the attention of the House the fact that the minority was never consulted as to whom would be called to testify at our most recent sessions. Indeed, we did not even have the names of the witnesses until a few days before the hearings commenced. Given that kind of communication it is readily understandable why the minority believes this investigation has not been conducted in a truly bipartisan manner.

Mr. Speaker, I am discussing that so that Members of the House will get a better appreciation of how difficult it is to separate fact from fiction in this inquiry. I think we must be careful not to draw premature conclusions based on incomplete and possibly irrelevant information. I realize that this is hard to do in the current political climate surrounding our investigation and the parallel probes of Korean activities being conducted elsewhere in Washington. We must, nevertheless, because, as the Wash-

ington Post noted in a very perceptive editorial on December 1, 1977, disclosures from our investigation are easily read in the glow of those inquiries.

We must strive to keep things in perspective when dealing with matters relating to South Korea. In this regard, I again refer to the same Washington Post editorial I cited earlier as it summarized my feelings precisely when it stated that—

The point is that there are high stakes as well as high principles involved in the United States-Korean struggle, and the one thing we're sure is not needed is a loaded, overstated view of what that conflict is about.

Mr. Speaker, with your permission, I would like to conclude my remarks today with an insertion in the RECORD of the full text of the December 1 Post editorial. I commend it to all my colleagues:

SOUTH KOREA'S "PLAN"

SOUTH KOREA.—Nervous about how the United States might react to defeat in Vietnam, drafted a secret plan for 1976 to influence the administration, the Congress, the media and assorted other folk who supposedly wield the levers of power. It is interesting to get now, from Rep. Donald Fraser's subcommittee, the details—though it is not yet clear what part of the plan was put into effect. What needs to be added, however, is that many countries, including the United States, run information, lobbying and intelligence operations quite like the one described in the Korean memo surfaced by Mr. Fraser. Indeed, the only questionable feature we see in the Korean plan is the suggestion that money was to be slipped to three congressional staff "collaborators." The use, in the English translation, of words like "manipulate" and "convert" to describe Korean intentions may or may not mean anything darker than the planners' effort to justify a big budget back in Seoul.

For now, in our view, Washington's Korean focus should remain on the tug-of-war between congressional and Justice Department investigators and the Korean government over the terms on which accused briber Tongsun Park should testify. The Americans, having made the case that he was acting as an agent of his government in bestowing funds and gifts on various congressmen, have demanded that the Koreans yield him up. They have so far refused. Only now is Seoul showing a hint of flexibility.

Reasonableness is overdue. Angered by Korean defiance, Congress has dug in its heels on providing extra arms to Seoul to compensate for the troop withdrawals planned by President Carter. Mr. Carter has sent Korea the message that, extra help or not, his withdrawal plans are unchanged. The return of Tongsun Park could be critical to resolution of both the basic issues that have become interwoven in this case: the integrity of Congress and the security relationship between Korea and the United States.

Some days it appears that it's open season on South Korea. The Fraser investigation, for instance, is proceeding on a track separate from the inquiries into Korean influence-peddling, but disclosures from it are easily read in the glow of those inquiries. We of the press make our own contribution to this somewhat fevered state of affairs. The point is that there are high stakes as well as high principles involved in the U.S.-Korean struggle, and the one thing we're sure is not needed is a loaded, overstated view of what that conflict is about.

DRAWING FAITH FROM OUR YOUTH

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. LaFALCE. Mr. Speaker, I rise today to ask you and my colleagues to share with me the confidence expressed in a valedictory address of a high school graduate which has recently come to my attention.

I believe that all Americans, and especially those of us in public life, need from time to time to have our faith in the future restored by young people. I am advised that the young woman who gave this address is not continuing her education; in presenting her high school graduation remarks I do so with the hope that each of us will be encouraged to preserve and develop the heritage which all of us like to think is America.

Following, then, are the thoughts of Ms. Mary Cauley as expressed to her community and her fellow graduates from Keshequa Central School in Nunda, N.Y., on June 26, 1977:

As I stand here, I suddenly realize that this is not the most wonderful moment in my life, as I thought it would be. There is a dull ache in my heart reminding me that although this is the first day of a new life, it is also the last day of an old life, a life I have loved. I can't say that every day of high school has been a perfect pleasure; I don't think anyone can say that. All I know is that for 13 years I have looked forward to this day, my graduation day, as one of celebration, jubilation, and liberation and now I find that along with these feelings, I find much sadness. I know that just because our high school days are ended, it doesn't mean that our friendships will automatically die. It does mean, however, that the binding force of our friendship is gone and we will all have to work hard to keep in touch.

I worried quite a bit over this speech. I wanted it to be perfect, to say something relevant and meaningful, something everyone could relate to and something that wouldn't put everyone to sleep. In the midst of my fretting I found that maybe there was something I could say.

When I heard that the Varsity Chorus was going to sing "Frostiana" I remembered that in eighth grade our English teacher, Marion Treat Randall, insisted that many of us memorize a few lines from Robert Frost's poem "A Road Not Taken." It is a poem that encourages people to "do their own thing" and not to fear being individuals.

Today many people are afraid of being different. They simply want to be anonymous. This isn't true of our class here today and I hope that it never will be true of us.

Our class has been unique. We are not unique because we are graduating in 1977, or because of what school we are graduating from, or because of who our parents are, or because of what they have done. We are unique because of who we are. We are a class of individuals, each with special talents and goals in life. We have followed Robert Frost's advice and have "done our own thing." And by working together, we have created a unique class.

Now, we are ready to begin new lives, and to face new responsibilities. America has reached and passed her 200th birthday and

we are the foundation of her next 200 years. Our class meets a totally different world than that which met graduates 15 years ago. We have survived the turbulent sixties and the Vietnam war, the crises of the early 70's and Watergate, as well as the present energy shortage. We begin our new lives with a new president, one dedicated to honesty, morality, and to restoring faith in government.

Plato said that "the direction in which education starts a man determines his future life." I hope this is true of us. If so, we should have few worries about the future. Keshequa has done more than provide an academic education for us. Here we have learned sportsmanship and team effort. This school has been the center of our social life and has provided entertainment for all of us. But most importantly, here we have learned to think for ourselves and to be individuals.

As individuals we are not afraid to stand up for what we believe in or to fight for our convictions. We will not hesitate to exercise our voice in government by voting and will be sure that our country is always run by a "government of the people, by the people, and for the people."

I am, as I know we all are, proud to be a member of this class of 1977. We have become quite close over the years and even now, as we separate, our lives are entwined, bound together by a common past and a hope for the future. God grant that we may always retain our individuality and may each of us reach true happiness.

"I shall be telling this with a sigh,
Somewhere in ages and ages hence;
Two roads diverged in a wood—and I
I took the one less traveled by
And that has made all the difference."

DESCRIPTION OF A NEW GATT STUDY ENTITLED, "TRADE LIBERALIZATION, PROTECTIONISM, AND INTERDEPENDENCE"

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. VANIK. Mr. Speaker, on November 29, 1977, the General Agreement on Tariffs and Trade secretariat released a new staff study by three of its senior economists entitled, "Trade Liberalization, Protectionism, and Interdependence."

The study provides a timely, new discussion on the need for maintaining and improving the channels of world trade. As the GATT press release on the study notes:

The study concludes that the over-all stability of economies depends on their spontaneous and speedy adjustment to the inevitable constant changes in economic conditions. "Non-adjustment cumulates, maladjustments grow, until a correction is enforced by a more or less severe breakdown, the repercussions of which often spread far beyond the particular industry, sector, or even economy." Structural change is also necessary to create a supply of jobs "matching the talents, educational attainments and the changing occupational preferences of the population." Without adequate and spontaneous growth, the study argues finally, peaceful co-existence of nations would become increasingly difficult.

To cope with the new protectionism, the study suggests, will require government pol-

icies directed towards reducing economic uncertainty, a key factor affecting investment and prospects for economic growth. These policies should include "an affirmation and clarification of the rules to be observed in policies governing international transactions."

In the longer run, there will be scope for a more direct role of government in providing incentives to adjustment. And, "last but not least", governments have a responsibility to help the public understand the consequences of different trade policies.

Following is the full text of the GATT review of the book. I believe that this summary will prove useful to the many who are concerned about the growing controversy in this critical area:

TRADE LIBERALIZATION, PROTECTIONISM AND INTERDEPENDENCE
NEW GATT STUDY

Trade Liberalization, Protectionism and Interdependence¹ is published today by the GATT secretariat as a staff paper in the series "GATT Studies in International Trade".

For nearly three decades following World War II, the international economy enjoyed unprecedented growth and prosperity. Much of the credit for this has been attributed to the reversal of the inward-looking economic policies followed in the 1930's. The key feature of the successful international economic policies applied in the postwar years, according to the study, was the liberalization of national economies within a global system of rules designed to promote trade and investment. Recently, however, faith in these policies has been undermined. Increasingly, it is being suggested that the growth of international economic interdependence may have reached a point where it brings more problems than benefits.

The purpose of the study is to consider whether these doubts about the benefits of interdependence are justified. The authors recognize the reasons that have led to present calls for a halt to trade liberalization and even to outright demands for new trade restrictions. But they conclude that the case for a continued growth in interdependence—in their view only a new expression for Adam Smith's "international division of labour"—is still compelling.

"Trade Liberalization, Protectionism and Interdependence" is divided into three main sections. The first reviews and explains long-term trends in world production and trade. It points out that the relative importance of international trade in domestic economic activity has tended to be exaggerated by the ratios traditionally used to measure it, and concludes that the scope for further growth in mutual trade exchanges is very substantial. The second section of the study outlines the case for further trade liberalization, paying particular attention to the contribution of liberalization to efficiency and growth, to its auxiliary role in the fight against inflation, and to its impact on employment and macroeconomic stability. The final section, "The Economics and Politics of Protectionism", is largely concerned with current protectionist pressures. It argues that these pressures, reflecting a refusal to adjust to changing patterns of supply and demand are as much a cause as a consequence of the

recent economic difficulties of the advanced economies. "By accepting the view that only a more vigorous growth of these economies will make it possible for them to return to freer trade, we might be locking ourselves into a vicious circle."

The study concludes that "the main danger of protectionism is that it exploits and fosters a misconception of a society's internal and external interests which, properly defined, cannot be in conflict; and that it feeds on a misunderstanding of the true consequences of the different policies by which governments try to secure these interests".

The study's authors, Richard Blackhurst, Nicolas Marlan and Jan Tumlir, are senior economists of the GATT secretariat.

The aim of GATT Studies in International Trade is to make publicly available the results of some of the work undertaken by the staff of the GATT secretariat. They are published on the initiative of the secretariat. The views expressed are those of the authors alone and do not necessarily reflect the views of contracting parties to the General Agreement on Tariffs and Trade or of the secretariat of GATT. The purpose of the studies is to contribute to the discussion and understanding of current issues in the field of international trade.

The following is a brief guide to the contents of the study:

INTRODUCTION

Skepticism about the benefits of economic interdependence has spread since the late 1960's. One reason has been the experience of the worst world recession in forty years. A second is the concern about the security of essential supplies. Third is a more general fear that the growth of international trade may have reached a point at which it erodes the ability of governments to pursue desired goals and policies: the study links this fear with growing uncertainties about the working of the rules and disciplines which are essential if economic growth is to be sought through international specialization.

I. LONG-TERM TRENDS IN PRODUCTION AND TRADE: CAUSES AND IMPLICATIONS

This chapter of the study notes that 1913 was a turning point after a long period of world economic progress. Over the following 35 years, to 1948, world production increased in volume at an average annual rate of around 32 per cent, while world trade grew only about one-quarter as fast. World trade per person actually declined, and with it the degree of specialization in the world economy. This trend was strikingly reversed after 1948, and from 1948 to 1973 the long-run growth rate of world trade considerably exceeded that of production. However, most of the growth in the ratio of trade to national income in the post-war period "only offset its decline between 1915-1948".

Three major, interacting, and still-influential factors go far to explain the postwar expansion of trade. Institutional developments—the early establishment of the IMF and GATT, and subsequent liberalization of trade and payments—provided an environment in which international traders were offered a degree of security and predictability in world markets that was unknown in the inter-war period. Technological advances, both reducing costs and increasing the variety of goods, also encouraged international trade and specialization. Trends in manufacturing employment in industrial countries have favoured a rapid growth in their imports of labour-intensive manufactures from developing countries.

The study notes that a feature of trade in the postwar period has been the increasing importance of imported inputs in production and—by implication—in exports. A rising import content means, it points out, that the domestic value added content of

exports is declining. Because of this trend, the traditional use of the ratio of exports to national income as a measure of dependence on trade is unsatisfactory, since the export figure includes both previously-imported inputs and also some exports which, in altered form, may later be re-imported. It thus overstates the relative importance of trade in domestic economic activity. It is also an unreliable guide to the relative trade-dependence of different countries and to trends over time.

Nearly two-thirds of the total increase in world trade in manufactures between 1955 and 1973 is accounted for by the expansion of trade within Western Europe and within North America. Trade between Western Europe, North America and Japan accounted for less than 25 percent of the total increase, and imports by industrial countries from developing countries for only 11 per cent. This implies that there remains considerable potential for greater specialization between the three major industrial areas, and between them and the rest of the world. When it is further noted that for most countries trade in manufactures continues to represent a relatively small proportion of total domestic production of manufactures, the untapped opportunities for greater international specialization appear truly impressive. And the pressure will be there, for the technological and demographic trade promoting factors will be at work for the foreseeable future."

II. THE ISSUE OF FURTHER REDUCTIONS IN BARRIERS TO INTERNATIONAL TRADE

This chapter begins by considering the benefits to be expected from further trade liberalization, and then analyzes four arguments commonly employed to question or oppose efforts to increase the international division of labour.

The study stresses that it is misleading to approach the question of protectionism versus trade liberalization in terms of their impact on exports and on imports, or on employment. What counts is the extent to which resources are, as a result, more productively used: changes in trade barriers affect the efficiency with which resources are used, but not the level of their utilization. It is also pointed out that the importance of trade liberalization is independent of whether exchange rates are fixed or floating; however, it is crucial to progress on trade liberalization that rates should not be manipulated to prevent effective balance of payments adjustment or gain unfair competitive advantage.

The study notes five sources of gain from trade liberalization. Three are familiar: consumption gains (the total net gain to consumers exceeding the transfers from other groups), production gains through allocation of domestic resources into more efficient employment (often, however, remaining in the same industry because of specialization), and economies of scale. A fourth type of gain is from a more competitive domestic economy, in which national producers can reach optimum efficient size while still being subject to desirable competitive influences. Fifth, liberalization—and continuing competition from imports—contributes to domestic price stability.

The authors believe that the decline in interest in trade liberalization owes little to the traditional "terms of trade" and "infant industry" arguments for protection. They identify four major arguments used today, of which the first two seem particularly important:

(1) effects of liberalization on domestic income distribution. As far as adjustment effects are concerned, the study argues at some length that these are transitional, and that the main solution lies in appropriate adjustment policies. It notes however cer-

¹ GATT, Trade Liberalization, Protectionism and Interdependence by Richard Blackhurst, Nicolas Marlan and Jan Tumlir. GATT Studies in International Trade No. 5. Geneva, GATT, 1977. Price Sw F 12 or U.S. \$6. Available in English, French and Spanish language editions from the GATT secretariat, Centre William Rappard, 154 rue de Lausanne, 1211 Geneva 21, and through book-sellers.

tain major biases in the political process which result in undue weight being given to adjustment difficulties when trade policies are being considered by governments. Trade liberalization is recognized as having permanent effects on income distribution (for example lowering food prices in general while reducing the incomes of landowners), but it is argued that more efficient methods than protection exist for achieving desired permanent redistribution effects.

(ii) the impact of "openness" to trade on macroeconomic stability. This argument for protection involves a fundamental questioning of the longer-run economic benefit of further trade liberalization to society as a whole, because of the resultant increasing vulnerability to imported macroeconomic disturbances. The authors conclude that in general a large foreign trade sector normally acts as a buffer against economic disturbance, and that the exceptional recent experience of a synchronized international trade cycle seems unlikely to recur. This argument for protection is also undermined, in their view, by the abandonment of fixed exchange rates.

(iii) excessive dependence on imports. This traditional argument has gained greater currency because of worries about embargoes and the future adequacy of world supplies. Among points reviewed are the relative costs of stockpiling rather than permanently protecting an inefficient industry, the likely effectiveness and relevance of cartels and the general desirability of maintaining decentralized and competitive sources of supply.

(iv) protecting a national "way of life." The study notes that this non-economic argument has a long tradition. However, in its present form it tends to stress the need, not for preserving a quiet semi-rural or pastoral lifestyle, but for having a large industrial sector; the study concludes that trade-protective policies are not the best way of achieving this particular end.

III. THE ECONOMICS AND POLITICS OF PROTECTIONISM

This final chapter develops two sets of arguments, the first economic and the second concerned more with political dynamics, to suggest why the present strong protectionist pressures are likely to persist.

In the first part of the chapter, the authors identify the main products affected by recent trade restrictions, and note that although it is impossible to measure the extent or degree of these restrictions, the most frequently used have been the bilaterally-negotiated exporter's voluntary "self-restraint" and the orderly marketing agreement. While the sudden increase in protectionist pressures is clearly related to the inadequate recovery from the 1974/75 recession, the malaise seems to have its roots in a number of structural weaknesses and maladjustments of much earlier origin.

The coincidence of high rates of inflation and unemployment, indicating adjustment difficulties, dates from the 1960's; at the same time the growth of real wages overtook that of productivity in most industrial countries, and the growth of manufacturing employment and investment decelerated. The authors consider that trends in the growth and composition of the labour force in industrial countries make it unavoidable that employment in some of their industries will undergo absolute decline. The study focuses on the role of wages in the process of international adjustment, arguing that too much attention is given to the gap in wage levels between exporting and importing countries, and not enough to the rigidity of wage differentials within the importing country. This rigidity increases the vulnerability of declining industries to foreign competition, and hampers dynamic industries in attracting skilled labour needed for expansion.

The authors trace the evolution of a number of major difficulties encountered in inter-

national trade since the early 1960's, and argue that these have loosened the system of rules under which the postwar economic expansion took place.

They consider that these developments have in common a refusal to adjust to change. While initiated by private interest groups, this resistance to change has been made effective through the support of governments which have introduced protective measures whose effect has been to avoid adjustment, which in turn has inhibited economic growth. The study suggests that in introducing these measures governments have overestimated their ability to direct the economy so as to produce a desired rate of growth, and have underestimated the effects of such measures in creating vested interests and bad precedents as well as in damaging the position of developing countries.

The second part of the chapter, on "Equity issues and domestic politics of protection" develops the argument that tariff protection, provided it is not increased over time, is less damaging to economic growth than protectionism: "a policy of increasing the level of protection, relying heavily on quantitative restrictions, and often creating additional uncertainty by imposing and administering these obstacles to trade in a non-uniform, discriminatory manner."

Three major and interacting equity issues raised by protection are discussed. The first concerns the distribution of the domestic costs of protection over society. It is pointed out that these costs fall unevenly on particular consumers and industries, including export industries, and that the problem of inequity will grow as protection is increased. The second issue arises from the reactions of other industries to the grant of protection to one industry. The study argues that, in the absence of objective criteria to determine the degree of protection an industry requires, any grant of protection leaves a government defenceless against claims by industries less favoured. The same argument leads to the view that the concept of "organized free (or liberal) trade" implies a large degree of centralized government planning. Finally, external equity problems arising where protection takes the form of bilaterally negotiated restraints are considered. The study suggests that such restraints involve economic and political costs to both the protecting and the exporting country.

The study concludes that the over-all stability of economies depends on their spontaneous and speedy adjustment to the inevitable constant changes in economic conditions. "Non-adjustment cumulates, maladjustments grow, until a correction is enforced by a more or less severe breakdown, the repercussions of which often spread far beyond the particular industry, sector, or even economy." Structural change is also necessary to create a supply of jobs "matching the talents, educational attainments and the changing occupational preferences of the population." Without adequate and spontaneous growth, the study argues finally, peaceful co-existence of nations would become increasingly difficult.

To cope with the new protectionism, the study suggests, will require government policies directed towards reducing economic uncertainty, a key factor affecting investment and prospects for economic growth. These policies should include "an affirmation and clarification of the rules to be observed in policies governing international transactions."

In the longer run, there will be scope for a more direct role of government in providing incentives to adjustment. And, "last but not least", governments have a responsibility to help the public understand the consequences of different trade policies.

SOUTHERN LOUISIANA GAS FIELDS

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. COLLINS of Texas. Mr. Speaker, this morning my colleague, JOHN MOSS, who is chairman of the Oversight and Investigations Subcommittee of the Interstate and Foreign Commerce Committee rose to speak on the issue of information regarding the southern Louisiana gas fields. I challenged these investigations last week on the floor. I have just had an opportunity to read his floor statement.

First, I want to thank my distinguished friend from California for furnishing the document I requested and making it public. As chairman of the subcommittee, he establishes another new procedure as we go along. Chairman Moss told me that this information could not be released unless the subcommittee met and gave their approval. Yet he turns the document over to newspaper men and makes a statement on the floor with no meetings of the subcommittee. But I want to reaffirm how sincerely I appreciate his making this May 4, 1976 staff memorandum public.

I was told that I could not make a non-classified, nonproprietary, nontrade secret and nonexecutive session material public without a vote of the subcommittee. But apparently the chairman has this privilege which is a unilateral right which I have not found in the rules that govern our committee.

When this study on southern Louisiana gas reserves was initiated 2½ years ago, its objective was to study the major oil company reserve computations as compared to the AGA natural gas reserve figures. The committee had GAO provide staff for the analysis and they worked for a year. The surprise conclusion was the AGA and the industry had comparable figures. All of the aggressive press about "alarming information" had no factual basis so no conclusion was publicized.

Another important result of the release of this staff memorandum is that it will advise the Federal Trade Commission that their investigation, which is exactly duplicative of the subcommittee's, should be terminated. The FTC is now trying to compare AGA estimates with company estimates to see if they are different. I hope the FTC gets the message of the staff memorandum which is first, that there is no substantial difference between company and AGA reserve numbers, and second, that "a comparison of company proved reserve ledger estimates with AGA reserve estimates is mostly a pointless exercise." This is what I have been saying for 2½ years.

Because the AGA versus company estimates did not show any wide disparity, the May 4, 1976, memorandum repeats the results of staff testimony on January 21, 1976, concerning the comparison between AGA estimates and U.S. Geological Survey estimates. The memo says that:

AGA reserve estimates can only be properly compared with USGS reserve estimates.

This is not accurate, because the AGA and the USGS do not have the same definition. The USGS's definition is called "measured reserves" and the AGA's is proved reserves. As our subcommittee's hearings in January 1975 made clear, the USGS relies on such things as electric logs and core analysis to make their estimates. USGS personnel testified that this data was more speculative than the production history and flow test requirements of the AGA. Additionally, the USGS takes into account in making their reserve estimates compression where they believe that economics justify it. The AGA on the other hand takes into account compression where it is already installed. USGS personnel admitted this in testimony before the subcommittee.

These differences which I have just described show that the AGA estimates and USGS estimates are not comparable sets of estimates. Comparing the two is like comparing apples with oranges. Additionally, even the staff memorandum acknowledges now another point which I have been making for several years that even among experts, reserve estimates vary widely. The staff memo says that 20-percent and 25-percent differences in reserve estimates can be expected. As I said in October 1976, about reserve estimating:

This is an art, not a science. One can never come up with a perfect reserve number for a gas field or reservoir until that field or reservoir has been totally depleted.

Let me quote his exact words at the June 9, 1975, hearing when Chairman JOHN MOSS in his opening statement said,

Alarming information regarding the accuracy of the industry's reserve reporting has come into the possession of this subcommittee. It is contained in a staff recommendation of the Director of the Bureau of Competition of the Federal Trade Commission to file suit against 11 major oil and gas corporations.

The report offers evidence that the post-1968 downward trend in reserves reported by the American Gas Association may have been the result of a concerted effort by producers acting through the American-Gas Association, to influence the Federal Power Commission to increase wellhead prices.

Let me further quote from the Washington Star of June 17, 1975, which was a press statement of Chairman MOSS as summarized by the Washington Star:

MOSS said that if the records of the seven companies follow the pattern of the other four, it clearly would establish the unreliability of the figures used by the American Gas Association.

The subpoenas ask for all "documents that contain estimates or evaluations of the quantities of natural gas present, or recoverable, or ultimately recoverable," in federal offshore leasing fields off southern Louisiana.

Chairman, JOHN MOSS has lacked consistency in his criticism of oil companies for reserve estimates. The original investigation into the reserve issue criticized the oil companies for not adequately stating their reserves. Now let us take another investigation that was made of Gulf Oil Co. on the reverse side of understating their reserves. In the investigations committee report of February 1977

titled, "Gulf Oil Corp.: Failure To Deliver Natural Gas to the Interstate Market." We have a major oil company that overstated reserve with tragic results. In 1963 Gulf Oil made a contract with Texas Eastern to deliver 2.7 trillion cubic feet of gas at a price of 22 cents per mcf. In 1968, the production—and this is most important, as Gulf Oil Co. learned—the production history showed the reserves were much, much less than original estimates. When Gulf made the contract in 1963 they had estimated 2.7 trillion cubic feet of reserves. With the going price of gas \$1.45 per mcf and Gulf Oil Co. 1.7 trillion cubic feet short, this means that their original overestimate of gas reserves was a \$1.7 billion contract mistake.

In summary I want to emphasize that the subcommittee subpoenas of seven major natural gas producers of June 16, 1975, were for the purpose of comparing company estimates with AGA estimates. When these AGA figures did not prove anything, they considered using another set of figures from USGS which had no comparability to the AGA figures.

I was interested in seeing how quickly Chairman MOSS brushed off the AGA versus company figures. When the survey was started all he was concerned with was AGA and company comparisons. Now in his answer he wants to take another set of figures to try out for size.

Chairman JOHN MOSS works as hard and maybe harder than any man in Congress. He is dedicated and sincere.

The facts are now clear and conclusive. The records of the seven oil companies show that they are remarkably similar to the AGA's and a cloud has been removed over the accuracy of the AGA data.

ALCOA, TENN., HIGH SCHOOL CLASS A FOOTBALL CHAMPIONS

HON. JOHN J. DUNCAN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. DUNCAN of Tennessee. Mr. Speaker, with great pride I wish to call my colleagues' attention to the recent win by the Alcoa High School Tornadoes of Alcoa, Tenn., in my congressional district, of the Tennessee Secondary School Athletic Association's Class A State Championship.

The young men of this tough football squad, under expert direction of Coach Bill Cochran, won this championship after an impressive record of 8-2 in the regular season and 4-0 in the playoffs. It should be noted that their only losses were to two other highly ranked power teams. In the final championship game, the Tornadoes overwhelmed their opposition, holding them to only 91 yards in total offense.

I hope my colleagues will join with me in congratulating the Tornadoes on this victory which has brought honor to them, their community and State, and to the great game of football.

WHY WE NEED A MANNED BOMBER

HON. JIM WRIGHT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. WRIGHT. Mr. Speaker, there is no doubt that the cruise missile is a valuable new weapon which greatly complicates the defenses of the Soviet Union. That it ever can be a total substitute for the manned bomber remains a serious question.

The December issue of Air Force Magazine carries an article which bears on this question. It was written by Gen. T. R. Milton, USAF (Ret.). I commend it to my colleagues. The article follows:

WHY WE NEED A MANNED BOMBER

By Gen. T. R. Milton, USAF (Ret.)

Having tried it, I have certain misgivings about going into a well-defended country in a bomber. Nonetheless, the fact remains that there have always been some reassuring advantages connected with putting aircrews into airplanes. Not the least of these advantages has been the ability of aircrews to salvage faulty mission planning with *ad hoc* improvisation. Thus, the demise of the B-1—and it takes a very great optimist indeed to think the B-1 project might still survive—is bad news for those of us who believe in the essentiality of manned bombers. The cruise missile may be all it is cracked up to be, and we can hope fervently that it is, but it is still a missile, dependent on information fed to it before launch.

There is no doubt as to its value in our constant growing strategic arms confrontation with the USSR, but it does not take the place, in terms of flexibility and versatility, of long-range manned airplanes. Even though the new cruise missiles are a good many generations removed from those despised V-1s that putted across London on their mindless course to self-destruction, they are still direct descendants of the V-1s and will thus inherit a few of their miserable ancestor's bad traits. Rapidly changing situations, unexpected antiaircraft sites, targets of opportunity are the sorts of things you cannot expect even the best programmed missiles to deal with. And so it should be good news that the Air Force has a fallback plan in the form of a rejuvenated FB-111. Admittedly, logic is still firmly on the side of the B-1, but the stretched FB-111, with advanced B-1 avionics and some badly needed new engines, seems clearly the next best answer.

However, since logic was never a strong factor in the B-1's defeat, the same forces will undoubtedly marshal against this new proposal. The great cost of the B-1 was often cited as reason to kill it, and certainly as inflation and program stretch-out worked the cost up, the figures did get disconcerting. But cost alone is not a convincing reason to kill off a needed weapon system. It was really the doubt cast on the need for a new bomber that made the decision stick. The cruise missile, even with, as we have learned, its wings clipped to a 1,500-mile range, was put forward as a plausible substitute for a penetrating bomber.

Maybe it is, for the single job of penetrating the USSR. In that role the cruise missile's chief value will lie in the complications it will give Soviet defenses and the deterrent value of these complications. It is a considerable contribution to gain at what appears to be a relatively modest cost. To that extent the cruise missile appears to be a huge plus for our side, although a look at the globe does cause a little worry about the 1,500-mile range limitation we have agreed

to. With that range restriction, the imaginations of Soviet air defense planners are not very severely taxed in sorting out probable launch points.

But to get back to the manned bomber and why we need it. Without disputing the wisdom of the Triad and the bomber's role in that philosophy, that is not the reason I have in mind. Nor is the fact that bombers, by their responsiveness to recall and other changes of mind, are an invaluable crutch to a President who can thus do something without doing everything. There is still another reason, in spite of these excellent ones, why bombers should continue to be an essential part of our defense apparatus. It has to do with the extraordinary versatility of the modern long-range bomber and hence its usefulness in a world where, as we become more dependent on imports and international trade, we will become ever more vulnerable.

Control of the sea remains, of course, a mission for our Navy. But the earth, as we have all heard from time to time, has seventy percent of its surface in the form of oceans. These oceans, moreover, are no longer the private domain of ships, for the farthest point from land is now easily reachable by long-range aircraft. Satellites make sea reconnaissance child's play by comparison with World War II days when radio silence often was cloak enough to hide a ship. Because modern naval defenses are formidable by any standards, the long-range airplane needs more than just long range to be effective in a maritime role. It must have speed, highly sophisticated ECM, and standoff weapons. In short, it must be something very like the B-1, or failing that, the stretched FB-111. That, then, is one reason for a new manned bomber. There are others that come to mind, ranging all the way from a precise application of nonnuclear munitions in a NATO war to a convincing show of force over some troublesome spot. It was the B-52s, remember, that nearly bailed us out of Vietnam and might have done so had the home front not collapsed first.

Cruise missiles are fine, and we ought to press on with them, but they are still missiles, limited to a single flight. They cannot patrol, or make demonstrations of force, or do a lot of other things a manned airplane can do. Hence, an air force should have some manned bombers as an essential part of its total combat strength.

There used to be a sign on the Chief of Staff's door, something about the Air Force's mission being to fly and fight. It ended with a peremptory injunction: "And don't you forget it." OK. Let's don't.

THE ILLEGAL ALIEN PROBLEM WON'T JUST GO AWAY

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. ASHBROOK. Mr. Speaker, on September 26 of this year, Mr. Justin Blackwelder, president of the Environmental Fund, made what was probably the most important and the most ignored speech ever delivered to the National Democratic Forum Press Club. It was the most important because Mr. Blackwelder told the Democrats frankly that the problem of illegal immigration is getting worse and will have to be faced. It was ignored because Democratic policy is to ignore illegal immigration as much as possible.

The Environmental Fund is a non-profit educational organization con-

cerned with the effects of population growth on the natural and human environment. Mr. Blackwelder gave the Democrats some cold, frightening facts about what the American environment will be like if we continue to allow illegal aliens to pour into this country. Nothing is better proof of the fact that the Democrats intend to do just that than the fact that I, a Republican Member, must make this speech, which was delivered to Democrats, public.

The complete text of Mr. Blackwelder's speech is given below. The italics are mine.

REMARKS OF JUSTIN BLACKWELDER

Dear Mr. Commissioner and Guests:

Much has been said about the extent to which immigration into the United States may, or may not, be a serious problem. Certainly, if the government agency in charge of immigration doesn't know to what extent people are, or are not, entering this country and staying illegally, we at The Environmental Fund don't know either. But, I would like to call your attention to some matters that The Environmental Fund does know something about and which bear directly on the subject of this discussion—in fact, these figures constitute the handwriting on the wall.

In the last 27 years, the population of Southeast Asia has more than doubled. The population of Africa has more than doubled. The population of Latin America has more than doubled. The population of Central America has increased 133 percent. The population of Mexico has increased 136 percent. And it is very important to note that during these 27 years, these populations have grown at a substantially slower rate than the rate at which they are growing now. The populations will therefore double again in a considerably shorter time.

The vast majority of the people in these areas are very, very poor by European or North American standards. That these people would like to come to Europe or the United States to live better is obvious and understandable.

They cannot move to Europe, because the Europeans will not permit it. *But they can come to the United States, and they do, because we do permit it. That they will continue to come here in increasing numbers cannot be doubted.* The debate seems to be whether or not we should continue to permit it, and if so, how many and for how long. If we don't permit it, we will still have plenty of domestic problems of our own. Our excess of births over deaths increases our population by 1½ million people a year. If present immigration policies are continued, our population will grow three times that fast, and the population growth rate itself will increase. Some people think that we can live with this increase and some don't. These extra annual two million people would be a tremendous burden even if they were native-born and raised, spoke English and achieved a 12th-grade education. But as it is, these two million come from every country in the world, already fully grown, often unable to read or write in any language. This does make it a little more difficult, but perhaps not insurmountable.

Now I want to get to the mathematics of the future. Because our time is short I'll talk about only one of all these countries—Mexico because, being on our border, it is much easier for Mexicans to come to the United States than it is for Pakistanis or Chinese.

The U.N. estimates that Mexico's growth rate is 3.5 percent. Government officials in Mexico have publicly stated that it is 3.8 percent. However, when we look a decade or two ahead, it doesn't matter at all whether the growth rate is 3.5, 3.8 or 3.2. The mathe-

matics of the situation is only slightly changed. *Any of these rates will double Mexico's population in 20 years.* Like most other countries, Mexico does not adequately support its present population. Doubling the population is simply out of the question. *These people will be forced to leave Mexico and other countries will not accept them, except for the United States.* Under the circumstances, it seems fair to say then that we know where all of these people will attempt to go. *They will come here, if we permit it.*

By INS estimates of a year ago, there are more illegal aliens already here than we can presently handle, but for the sake of discussion let us assume they are not here. Also, for the sake of discussion, let us assume that the thousands we viewed on our television screens pouring across our borders four years ago were lettuce pickers who all went home. Let us overlook the fact that 87 percent of them went directly to large cities where they now constitute a most serious problem.

If we don't know what has been happening, *there can't be the slightest doubt as to what will happen if we permit this to continue. At some point, past, present or future, the trickle becomes a torrent which becomes a flood.*

In addition to our own population growth, *can we manage to cope with 100 million extra people coming to join us by the time our small children finish college?* I suspect that these new graduates will find jobs hard to get, and the pay may be distressingly low. To those who believe that this country can easily handle such a situation, I would remind them that, if present trends continue, *when these college graduates reach middle-age there would be in addition to our own population increase of 50 million, and the 100 million, another 105 million immigrants.*

The Environmental Fund does not advocate that immigration either be increased or decreased. Obviously, our advocacy would not change anything. What we try to do is point out, to those who will listen, the inescapable mathematics of world population growth. *If Americans want these things to happen, this is a free country. Personally, I am inclined to think that our children will think we must have been insane. If we manage to run out of water, energy and topsoil all by ourselves, why, in the name of good sense, should we ask others to come help us do it?*

PALLADIUM MEDAL AWARDED TO WERNER C. BROWN OF DELAWARE

HON. THOMAS B. EVANS, JR.

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. EVANS of Delaware. Mr. Speaker, on November 16, I was privileged to attend the award presentation of the International Palladium Medal Award of the Societe de Chimie Industrielle, American Section. At that time, this prestigious award was presented to a distinguished Delawarean, Werner C. Brown.

The Palladium Medal was awarded to Mr. Brown for his valuable contributions to good will and understanding, both in the United States and abroad throughout his career in the chemical and allied industries. Mr. Brown presently serves as chairman of the board, Hercules, Inc., of Wilmington, Del. At the award ceremony Mr. Brown made what I consider to be one of the most outstanding speeches in my recent memory. In his speech, he spoke eloquently of both our Nation's past history and our future challenges. He expressed his concern—a concern

which I share—about the spirit of “negativism” which seems to permeate our society and he pointed out the fallacies in this type of thinking.

Mr. Speaker, because of the importance of these remarks, I insert it in the CONGRESSIONAL RECORD, along with a release from the Societe de Chimie Industrielle, which discusses the Palladium Medal and the career of Mr. Brown:

“DEJA VU”

Remarks by Werner C. C. Brown

Ladies and Gentlemen, I want to thank the members of the Société de Chimie Industrielle for selecting me for this high honor; and I want to thank all of you for coming here to The Plaza tonight to share the occasion with me.

This is one of those rare moments in a lifetime when you can cherish a combined feeling of honor and humility. Together they bring about some serious introspection about what has contributed most to one's being here tonight. I don't know what others before me may have concluded, but in my case, it's my wonderful family and the 24,000 dedicated people of Hercules, who have helped make the past 35 years so rewarding for me.

The International Palladium Medal is given, we have been told, for contributions to international goodwill and understanding in the chemical industry. When I think about that, I am reminded of the comments made by our good friend, Carl Gerstacker, a few years ago. After a particularly hectic pace had taken Carl to California for a TV show, to Japan for cultural conferences, and to Colorado for a discussion with international union leaders, he asked himself: “What in my college curriculum prepared me for this?”

The answer, of course, is: not too much. Try as it might, the best of faculties can't prepare a student to go out and meet such experiences.

Perhaps one thing that has helped me has been an abiding sense of optimism. History teaches that it's been the optimists who have adjusted best to the changing tide of events—even though, paraphrasing Browning: “The reach has often been longer than the grasp.”

What disappoints me most about today is that a distasteful spirit of “negativism” seems to permeate much of our society and the world we live in, and it is to that subject I would like to speak.

What is the human condition that insists on emphasizing the negative? It seems more often than not man is born crying, lives complaining, and dies disappointed.

It is not my nature to embrace such a depressing, fatalistic philosophy. So, if I may, I would like to leave with you the notion that all is not lost. The world has a future—a great future—as it always has had. The problems we see today are not unlike the ones seen by those that have gone before us. The challenge to solution was just as great to them as our challenge to solution is to us today.

I recently went through a list of great and not so great moments in American History and to set the stage, I will recite a few of these milestones. In 1607, during the first winter at Jamestown, 50 percent of the settlers died due to Indian attacks, freezing weather, starvation and disease. Appalling as it was, the survivors voted to stick it out. What happened? The second winter 85 percent of the remaining 50 percent failed to survive. The few that did, being reasonable people, and now shorn of much of their original optimism, decided to go home, and in 1609, loaded aboard and started down the James River for home. Than an amazing thing happened. They met Thomas West, sailing up the river with new provisions, new settlers, and new hope. So they re-

turned and re-established the colony. The rest of the story you know.

Between Jamestown and today, there have been other bad times. In succession, we had the French and Indian War of 1755, the Revolutionary War of 1775, the War of 1812, the Panic of 1819, followed by the Panic of 1837, the Panic of 1857, and the Civil War of 1861.

That traumatic experience was followed by the Panic of 1903, the Panic of 1907, World War I in 1917, the stock market crash of 1929, which was followed by the Great Depression, World War II, which cured the depression, was followed by the recession of 1949, the Korean Conflict.

In short order came the economic recession of 1954, the recession of 1958, the Vietnam War, the riots of 1964 and 1968; the Arab-Israeli War of 1967, the 1973 war in the Middle East, and the oil embargo and energy crisis of that same year, followed promptly by the recession of 1974 and 1975.

You would think that nearly four centuries of life in America has been no more than a series of alternating wars and panics. But let's stop and think. What did each of our past calamities have in common? Simple. We survived them all, and life in America has kept improving, generation after generation.

I often think when I hear people refer to “the good old days” that this has to be a contradiction in terms. Life today is better. Maybe the expression “the good old days” is really a subconscious recognition of our achievements in surviving past adversities.

But, let's come back to today. The cassandras of 1977 are saying that all is lost; the end is near; after all, stocks have gone nowhere but down for a decade; we have inflation; capital shortages; unemployment; international competition; dwindling raw materials resources; industrial poisoning; declining growth; an energy crisis, and other man-made problems. Uncertainty has been created in the minds of businessmen, investors and most of society as well. A return to the 1930's, we are told, is just around the corner.

It is similar to the position many economists took at the end of World War II. Nothing shy of a major depression could be seen once we returned to a peacetime economy. Such pessimism kept many people from doing their thing which might well have changed their destinies. In retrospect, most of the fears they had never materialized.

Worldwide, our 1977 cassandras are even more apocalyptic. And to all of this, I say, “Hold it.” Let's step back and look things over from another vantage point.

Sure, in the United States, unemployment rate is the highest since World War II, but since 1973, we have put well over six million additional people to work. Never in this nation's peacetime history has such a period of massive employment been experienced. Five years ago, students of employment would have said it couldn't be done. It was, and we should be able to continue to do so.

Sure, there is a growth dilemma. We need growth. Some say we can't live with it and pay the penalty. Others say we can't live without it. The fact is that the cost of stopping growth would be disastrous. What we must do, and can do, is guide growth, and, if necessary, control it.

On pollution and industrial poisoning, the pessimists would padlock the factories, eliminate the internal combustion engine, and essentially push society back in time 100 years or more to a way of life that would be devoid of the new problems that progress has brought with it. We would have the old problems, but no one seems to mention these.

What these people propose wouldn't help at all. Indeed, if we had as many people a century or so ago as we have today, without today's technology to cope with pollution, less of us would likely be here tonight.

Some experts on the subject contend that with today's technology less pollution per person results than did a century ago. If you doubt that, visualize New York City with all its citizens of today still being warmed through the long winters by open hearth fires, or try to visualize the vast herds of horses needed for the city's power requirements. I don't know which would be harder—finding wood left to burn, air left to breathe, or finding a safe place to walk.

There is an almost universally held belief in this country that industry and its products are major causes for a growing endangered species list. The pessimists say 50 species are heading for extinction in this century. A noted scientist goes further and says, “Yes, 50 species will become extinct.” But he also adds that 50 species became extinct last century, and 50 became extinct the century before that. In fact, he says 100 million species of plant and animal life have already become extinct.

Only last week I read that the whooping crane, once seemingly doomed to extinction has a future that now looks encouraging. More endangered whoopers are flying south than at any time in recent history. I don't know what whooping cranes do, but I am glad they are back.

The point to note, I think, is that man, with his institutions such as business and industry, is a recent visitor to this planet, and had nothing to do with the extinction of the millions of species that preceded him. Nature is still a prime determining factor. In fact, man, who can go to the moon and split the atom, has not to date been successful in eliminating one single insect species, even though he has declared all-out war on a number of undesirable ones.

It is obvious that many of our problems today would not have existed in a primitive society, but neither would our present levels of accomplishments and wellbeing. What we fail to realize is that the pristine environment that our American Indian enjoyed didn't assure him a long life. The sad fact is that the best records indicate the average Indian lived only 24 years. It was the Industrial Age and modern man's ability to provide for better health that raised our current life expectancy to over 72 years for men and 76 for women—50 percent longer than our great-grandparents.

Up until recently, the predominate efforts and incentives of our nation were clearly directed toward the fulfillment of our basic requirements. Our economic and social systems were geared toward the production of ever larger quantities of food and goods, making them available to everyone. Was it bad that our society would be the first to reach freedom from materialistic wants? And is it bad that we are the only large nation in the world which can completely feed its people and do so with only a small fraction of its resources? Aside from the obvious benefits to us, we have built a model to show the world what can be done with technology and free enterprise.

If any criticism can be leveled, it has to be at our inability to appreciate our spectacular success and what was required to achieve it. Americans have become so accustomed to dramatic advancement in technologies that many significant achievements in science and engineering are viewed as pedestrian. We have developed the “what have you done for me today” attitude. Whether it's an energy crisis, a pollution problem, a raw material shortage, or even a social problem, Americans expect an instant solution. And when we don't get one, our pessimists are quick to preach that the future holds nothing but doom and gloom.

Earlier I cited a number of the problems we have facing us today—many of these are transitory and natural consequences of our cyclical economy. I am sure all in this room are no less concerned, because indeed the problems are real. And I am sure many in

this room would give an eyetooth to know when we will see earnings return to the levels of "the good old days."

We do have problems that are not cyclical. Of these, our biggest are energy, raw materials and food. These are longer-term problems and so much the better because we'll need time to solve them. And solve them, we will.

You know, it's somewhat ironic that our pessimists can do such a thorough job in focusing the media's attention on unemployment, pollution and social problems, but are so inept at generating any serious treatment for putting the energy problem in proper perspective. Recent surveys have shown that the vast majority of the people in this country believe there is no energy problem at all. Either now or in the future. Others, on the other hand, are acting like we will soon be down to our last barrel of oil and cubic foot of gas. Neither is correct.

Just last week, I was pleased to read that Robert Seymour, outgoing Chairman of the American Gas Association, shares my more optimistic stand. He said he gets a little weary with the shortsighted doomsmen who woefully conclude we are running out of gas and neglect to consider several new supply increases in prospect from Alaska, Mexico and Latin America, and also the fact that conventional U.S. supply is going to be bolstered by increasing quantities of synthetic natural gas from coal gasification.

There is no question that fossil fuels are finite and in time we could burn them all up. The energy problem, as I see it, is primarily an economic problem for the short term and only a critical problem for the longer term. For the immediate future, we need conservation and new discoveries to maintain a reasonable balance between fossil fuel costs and the rest of our economy. The real energy challenge is in finding sources of energy for the future that are not dependent on fossil fuels.

Some years ago, our national leaders recognized the need to initiate programs which set a national spirit in motion to unite the American public toward major goals. The identification of Sputnik as a national challenge led to the Apollo missions and provided massive investments, technology advances, economic stimulation and national pride over a protracted period of time. The need for a major energy program in this country today is much more understandable than the need for a trip to the moon was in the Sixties. Technologies already are in sight which offer many times more energy than has ever existed in the world's fossil fuel resources. We need to make energy a national challenge.

A few weeks ago, Christopher Craft, the Director of NASA's Houston Space Center, outlined a new concept for the collection of solar energy by locating solar power stations in space. They plan to construct large satellites in space, collect the sun's energy, convert it to radio energy, and then beam that energy to receiving stations on earth where it would be converted to electricity for commercial distribution. Here would be a limitless source of energy without a raw material cost. Initial investments would be high, but amortization periods would be long.

Futurist Magazine, a few years ago, published an article on thermonuclear fusion. Written before the plug was pulled by OPEC, it nonetheless is as current today as it was then. It takes the position that thermonuclear fusion could have the potential of generating quantities of energy well beyond the world's requirements for millions of years.

To describe these vast quantities, scientists talk in "quads" of energy. To give you an idea of how big a quad is, the entire world at present consumes about 200 quads in a year—nearly all of it coming from fossil fuels. Fusion doesn't depend on fossil fuels, but fuels that are extremely abundant—like

lithium and deuterium. The lithium in sea water alone is equivalent to 21 billion quads of energy, or enough for the entire world for 100 million years at our present consumption rate. The reserves of deuterium are much more staggering.

Yes, we have an energy problem. It is perhaps the largest problem facing us today. And, yes, I am an optimist. But I am also a pragmatist. It seems to me we must lead change rather than respond to the pressure of events. And in leading, we must face squarely the differences that exist within our society, because, as Maeterlinck wrote, "At every crossing on the road that leads to the future, each progressive spirit is opposed by a thousand men appointed to guard the past." If I have any thoughts for immediate action on the energy problem, it would be to call for a massive educational program for the American public and, perhaps, the world; a program that would respect parochial interests, but for the common well-being of all; a program that would teach the seriousness of the problem, but show that both near- and long-term solutions will be found; and, most of all, a program that would impart spirit and determination—and not pessimism and despair—or even, worst of all, complacency. There is no question in my mind that we will solve the energy problem.

Earlier I mentioned both raw material and food supplies as problems we are facing for which the pessimists predict no solutions. We in the chemical industry are more aware of dwindling raw material resources than the general public—and even many other industries. More than half our products rely on gas and oil, and in the future will certainly rely to a significant extent on coal also. Perhaps that's why we would like to see an alternate source of energy as soon as possible. But there are other raw materials, mostly minerals, which the pessimists predict also will be exhausted in the not too distant future. We need not accept such projections. Major programs are already undertaking the mining of manganese, iron, nickel, copper and cobalt from the ocean floor. Dozens of other valuable minerals are known to exist in the seabed and there are good reasons to feel confident that we will make them available for our use should our needs become critical. As a matter of fact, the major objections registered so far against a more rapid advancement of ocean bottom mining have come from third world countries who are concerned that new sources might have a depressing price effect on the minerals they currently mine and export.

What about food?

In the United States, it is hard for us to visualize real shortages. We have so much. In other parts of the world, there are severe shortages and they may get worse. However, I don't believe we will ever see the situation get so bad that a large segment of the world's population starves. Responsible nations will inevitably come to the rescue. Because of this, I am gratified to read about the strides that are being made by our farm industry in increasing crop yields.

And gratified too that one of our other primary food sources—seafood—is now receiving long overdue attention.

The pessimists will say that if you take more than 100 million tons of food from the oceans annually the water's capacity to reproduce will be impaired, and that doesn't leave a great deal of room to grow for the fish industry that has quadrupled its annual output to 70 million tons in the past quarter century. However, as a recent *Forbes* article points out, the world is still in the stone age in terms of our utilization of fish. We're still hunting fish!

Aquaculture, the alternative to hunting, is not a new concept. The Chinese and Japanese have fish farmed for centuries. More recently, in this country, nearly all the trout

and half the catfish and crayfish sold commercially are raised on fish farms. Marine shrimp farming is developing along the Texas Gulf Coast and on the coast of Florida and Georgia. Large fresh water prawns are being grown in Hawaii, Puerto Rico, Georgia and Florida. Lobsters are being farmed grown in the Northeastern states; and, in my own home state of Delaware, the University is growing clams and oysters under completely closed-cycle conditions and have established that their system is commercially competitive. (\$22/bushel).

The Weyerhaeuser Company is investing \$10 million in an attempt to ocean-ranch salmon. The fish will be raised in hatcheries and then released at coastal sites where they will be harvested a few years later when their homing instinct brings them back to spawn. Union Carbide, through a subsidiary in Bremerton, Washington, is already in the business of raising salmon in pens. The University of Rhode Island is experimenting with raising salmon in silos. The Franklin Institute and Kraft, Inc. have begun an experimental fish farm on the Susquehanna that uses the warm water effluent from the Peachbottom nuclear power plant to enhance the growth period of fish. May I add here that in this case the warm water effluent about which environmentalists have been so concerned becomes a "thermal enhancement" and not a pollutant!

And why all this activity? Simple. Estimates show that when properly managed, an acre of water can produce at least ten times as much protein per year as an acre of pasture land. And, don't forget, there certainly has to be far more water on this earth suitable for aquaculture than there is land suitable for agriculture. We have a looming global food problem, but I submit, it is solvable.

We've heard that lack of pure water could lead to an international crisis. Yet 70 percent of the world's surface is covered by water and we know how to purify it. Providing potable water any place in the world in sufficient quantities to meet local needs is not an insurmountable problem; it just takes investment. Only recently, you probably read where the Saudis are developing plans to tow icebergs to arid areas as a source of fresh water.

In the final analysis, I have to conclude that there are no absolute shortages of resources—whether they be energy, raw materials, food, or water. The shortage that does exist, if we allow it, is a faith in ourselves and our ability to meet change; and above all, an optimism that keeps us going forward to cope with adversity and overcome it. Even if we wanted to, we could not reverse the forward thrust of the world. We have no choice but to continue to try to improve it—and we can—guided by a full appreciation of the power of our technological base.

When the cliff-dwellers in prehistoric Arizona found climatic changes were leaving their country arid, they skillfully contrived irrigation—because they had to.

When the British began to run out of wood to build their homes during the reign of the Tudor Kings, they innovated with English Tudor houses—half stone, half wood—because they had to.

When whale oil no longer flowed from Gloucester and lights began to dim, another fuel was discovered in the Bradford fields of Pennsylvania—because it had to be found.

In closing, I would like to leave you with the feeling that all is not lost. The world has a future—a great future—as it always has had, the problems we see today are not unlike the ones seen by those that have gone before. The challenge to solution was just as great to them as our challenge is to us today. Just as they "had to"—so do we "have to"—what we have today is just another déjà vu in the history of mankind.

NEWS RELEASE FROM SOCIÉTÉ DE CHIMIE
INDUSTRIELLE, INC.

Werner C. Brown, president and chief executive officer, Hercules Incorporated, Wilmington, Del., has been selected to receive the International Palladium Medal of the American Section of the Société de Chimie Industrielle, Inc., for 1977, it has been announced by Charles C. King of the Lummus Company, president of the American section.

This will be the ninth award of The Palladium Medal which will be presented to Mr. Brown at a dinner in his honor Wednesday, November 16, 1977, at the Hotel Plaza, New York. The dinner will have an international attendance of leaders in science and industry.

According to Mr. King, the medal is to be awarded to Mr. Brown for his distinguished contributions to goodwill and understanding both in the United States and abroad throughout his long career in the chemical and allied industries. "His work has enhanced the aims and objectives of the Société de Chimie Industrielle," said Mr. King.

The Palladium Medal of the American Section of the Société de Chimie Industrielle is an award established in 1958. The medal may be awarded once each year to an individual who has distinguished himself by reason of outstanding contribution to the chemical industry of such a character and scope as to enhance the international aims and objectives of the Société de Chimie Industrielle.

Information concerning The Award Dinner is available from the secretary of The American Section, SCI, Patrick P. McCurdy, *Chemical Week*, 1221 Avenue of the Americas, New York, N.Y. 10020.

First presentation of the Palladium Medal was in 1961 to Ernest John Solvay of Belgium. Succeeding winners were Charles Allen Thomas of Monsanto; M. Paul Tolnet, president, directeur general, des Soudières Reunies de la Madeleine-Varangeville; Monroe J. Rathbone, Standard Oil of New Jersey; Karl Winnacker, chairman of the board, Farbwerke Hoechst, AG; Henry Smith Wingate, chairman and chief officer, The International Nickel Company of Canada, Ltd.; William W. Keeler, Chairman, Phillips Petroleum, and J. Peter Grace, chairman, W. R. Grace & Co.

Werner C. Brown is president and chief executive officer of Hercules Incorporated, a post he has held since 1970.

He was graduated from Duke University and joined Hercules in 1942 as a chemist at its Research Center near Wilmington.

Following research and marketing jobs primarily in cellulose products, Mr. Brown became general manager of Hercules' Polymers Department in 1960, and in 1963 was elected to the company's board of directors. He was elected a vice president and member of the executive committee in 1966 and member of the finance committee in 1969. He became president in May, 1970, becoming the fifth chief executive in the company's history. At the same time, he became chairman of the executive committee.

Mr. Brown is a member of the board of the Federal Reserve Bank of Philadelphia; member of the board and chairman of the executive committee of Delmarva Power & Light Co.; member of the board of Diamond State Telephone Co.; trustee of the Wilmington Medical Center; past chairman of the board of the Manufacturing Chemists Association; member of the President's Export Council; on the board of trustees, executive committee, and finance committee (of which he is chairman) of the University of Delaware; member of the board of trustees of Duke University; past chairman of the executive committee of the Society of Chemical Industry; member of the American Chemical Society; a Regular Member of The Conference Board; member of Société de Chimie Industrielle, Inc.; and a past member of the executive council of the Harvard Business School.

His family includes his wife, the former Maude S. Bulluck of Wilmington, N.C.; four

sons, David, Stephen, Matt, and Richard; two daughters, Margaret and Alice; and his parents, Mr. and Mrs. Robley Evans Brown of Blue Ridge Summit, Pa.

He resides on Old Kennett Road in Greenville, Del.

FEDERAL HIGHWAY SAFETY
LEGISLATION

HON. NEWTON I. STEERS, JR.

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. STEERS. Mr. Speaker, Representative JAMES L. OBERSTAR has introduced legislation to enable the Department of Transportation's National Driver Register to serve as an effective clearinghouse for State licensing authorities. It would modernize the Register with on-line communication to prevent individuals with suspended or revoked drivers licenses from crossing State lines to secure another license.

Background information relative to Mr. OBERSTAR's bill appeared in a *Montgomery Journal* article, written by Alice Popkin, on December 2, 1977. I hereby submit a copy of the article for the RECORD because I recognize the need to implement such a highway safety program:

FEDERAL HIGHWAY SAFETY BILL MEMORIAL TO
BETHESDA GIRL
(By Alice Popkin)

A bill now before Congress to reduce highway fatalities was written as a memorial to a Bethesda girl who died in an automobile accident in December 1975 when she was 14 years old.

The girl, Kamy Nathanson, "did not live in vain," said Rep. James L. Oberstar (D-Minn.), sponsor of the bill he introduced in her memory, which he said will "strengthen the National Driver Register to reduce the highway slaughter perpetrated by 10 million unlicensed drivers."

Oberstar, who has lived in Bethesda for 11 years, is a neighbor of Kamy's parents, Kenneth and Fran Nathanson.

"I watched Kamy grow from a toddler to a spirited teenager, who was a favorite babysitter in our neighborhood of Carderock," he said. "Kamy's death could have been prevented because the driver of the tractor-trailer that struck the Nathanson's car had a record of short-term license suspensions in his home state. His license was suspended at the time the accident occurred, and he had crossed state lines to obtain a license in another state."

A member of the House Public Works and Transportation Committee, Oberstar has proposed that the Department of Transportation's National Driver Register be modernized with on-line electronic communication. "Then it would be a more effective central clearing house for state licensing authorities to uniformly identify and to ultimately prevent persons like the driver who killed Kamy from getting on the road in the first place," he said.

He estimated that the cost of his program would be \$1.5 million. "This is a small yet very worthwhile investment," Oberstar said. "Kamy's life was sacred. Every life is sacred. You cannot put a price on life. Some statisticians have calculated the value of a human life to be \$285,000. Consequently, the 47,200 highway deaths a year cost us \$13.5 billion in human resources."

Because of the competition for funds with other vital issues, Oberstar is calling for

support from people who are concerned about the menace of unlicensed drivers.

Spearheading the effort are Kamy's parents. Ken Nathanson, president of a group called Citizens for Better Driving Records, "has single-handedly taken the safety program from the Department of Transportation to the country" through a public interest crusade, Oberstar said.

Seeking public backing, the group is conducting a membership drive and a dialogue with highway safety officials and community service groups across the nation to dispel the attitude that "this will never happen to me," according to educational pamphlets it is circulating from an office in the National Press Building.

"It did happen to the Nathansons," Oberstar said. "Their attitude was not of outrage nor of revenge, but rather how can we prevent this from happening to others. Ken, Fran and their son Harlan found the answer. They are touching the lives of others by minimizing the possibilities of such accidents happening in the future."

He described his bill as "a constructive memorial which citizens and congresspersons can together bring to reality. It is a crusade for Kamy."

CONGRESSMAN STOKES REPORTS
TO THE PEOPLE

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. STOKES. Mr. Speaker, at this time I would like to call to your attention my most recent congressional newsletter. I have prepared several informative and service-oriented articles to keep my constituents informed of my duties as a Member of this distinguished body of legislators. I am certain that you and my colleagues are keenly aware of the importance of communicating our work and activities to the citizens back home. We have been given the solemn responsibility of representing their best interests and upholding their constitutional rights.

Therefore, Mr. Speaker, as the Representative of Ohio's 21st District, I respectfully submit to the CONGRESSIONAL RECORD my latest report to the people:

CONGRESSMAN LOUIS STOKES REPORTS

As the first session of the 95th Congress draws to a close, Congress continues to grapple with major legislative issues of critical importance to the residents of the 21st district and all Americans. Energy, welfare reform, national health insurance, unemployment, and tax reform are but a few of the national priorities awaiting legislative and administrative action.

Unemployment is perhaps the single most important issue facing Cleveland and the twenty-first district today. Our city has been hard-hit by economic fluctuation and inflation. This has resulted in chronically high unemployment rates throughout the greater metropolitan areas, especially in low income neighborhoods. Even though the overall 1977 unemployment statistics have improved somewhat—5.1 percent for September 1977 as compared to 6.1 percent the year before—the figures for Blacks and teenagers remain alarmingly high.

On the national level, the U.S. Department of Labor reported in August that the nationwide unemployment rate was 7.1 percent and that Black workers were unemployed at the rate of 14.5 percent. While these figures are dismal, the high unemployment rate of

teenagers—18.1 percent for all teens and 40.4 percent for Black youth—are truly depressing.

Armed with these statistics, the Congressional Black Caucus met with President Carter to urge him to endorse the Humphrey/Hawkins Full Employment and Balanced Growth Act of 1977 (HR-50). If aggressively implemented, this comprehensive legislation could greatly reduce high unemployment. In response to the Caucus challenge, President Carter assigned his top economic advisors to work out a compromise version of the bill which would remain faithful to the original intent of the legislation while amending certain details.

In brief, HR-50 will:

Affirm the right of all Americans to a useful job at a fair wage;

Reduce unemployment to 3 percent among adults and 4 percent for the entire labor force as soon as possible (at least within 5 years);

Develop a new process for the coordination of a comprehensive national economic policy;

Promote the creation of government jobs, where needed, and encourage the expansion of jobs in the private sector and traditional types of public employment; and

Reduction and ultimate removal of differentials in rates of unemployment among minorities and other groups within the labor force.

To obtain these goals, HR-50 contains a strong 7-point economic stimulation program and sets forth additional action such as increased aid to state and local governments, aid to chronically depressed areas, increased youth employment, job training and counseling.

In addition to HR-50, the House has passed a bill specifically to combat high unemployment among youth. The Youth Employment and Demonstration Act (HR-6138) is designed to create a variety of employment projects for youngsters ages 16-23, including a Young Adults Conservation Corps. HR-6138 contains many of the provisions in my bill, "The National Community Based Organization Youth Job Creation and Training Act of 1977" which was introduced last January. The Stokes bill provided for a special financial assistance program to national community based organizations of demonstrated effectiveness. Groups such as OIC, the National Urban League, Jobs for Progress, and the Recruitment and Training Program will receive federal funds to implement new programs and expand existing job training services for youth. By 1980, the bill should spur the creation of one million new jobs for unemployed youth. It is important to add that ongoing job related programs such as CETA (The Comprehensive Employment and Training Act), public works programs, and revenue sharing funds, should continue to expand in our district and our city. Even though up to this point I have only spoken of federal programs and legislation, let me add that it is essential that the private sector also take a prominent leadership role in curbing high unemployment.

This nation cannot afford to tolerate the current level of unemployment in America today. In a Democracy, every individual who is willing and able to work deserves meaningful employment. Every man and woman in America, especially our youth, is entitled as a matter of right to the dignity and self-respect which a job gives to a human being.

CONGRESSIONAL PAGES: GIVING YOUTH AN OPPORTUNITY

Laurie Clemons and Dawn Ferguson, both bright and talented young women and both Congressional Pages for Congressman Louis Stokes.

Laurie, the vivacious 16 year old daughter

of Rev. and Mrs. Burton Clemons of Shaker Heights, was a Page in the Congressman's Washington office this summer, and is now a senior at Shaker Heights High. How did she like her job? "Just fantastic," Laurie replied. "Everyone on Congressman Stokes' staff made me feel right at home. Not only was it exciting to work for Congress, it was a thoroughly educational experience."

Laurie hasn't decided which college she wishes to attend next year, but she is most definite in her plans to become a corporate or criminal lawyer.

Dawn rises at "dawn" to attend Congressional Page School each weekday morning in the U.S. Capitol building. By 9:30 a.m., having completed a rigorous schedule of academic courses, she commences her duties as a Page. Her physically strenuous schedule can last as late as 8 p.m., and during peak legislative periods, it has not been unheard of Pages burning the midnight oil!

Born Dawn Camille Ferguson, the attractive teenager is the daughter of Janet and Birt Smith of Shaker Heights. Now a twelfth grader, she is contemplating a career as an engineer even though she is keeping other professional options in mind.

Dawn has high praises for her job: "I think that being a page is an experience that can't be matched. It is definitely an invaluable experience for a young person with high ambitions and I am grateful to Congressman Stokes for this opportunity."

If you wish to submit an application to become a Congressional Page, please write to Congressman Louis Stokes, Congressional Page Program, 2455 Rayburn House Office Building, Washington, D.C. 20515. To qualify, you must be 16 years of age and not past your 18th birthday at the time of appointment; applicant must have completed 10th grade and be eligible for their junior or senior year; applicant must have an above-average scholastic average.

STOKES SURVEYS COLLINWOOD FLOOD DAMAGE

On August 8, 1977, Congressman Stokes conducted an "on the spot" survey of the flooding problems which continuously plague the Collinwood area. Accompanied by Councilman David Trenton (Ward 32) and members of his district staff, the Congressman toured the banks of Euclid Creek in the vicinity of Lake Shore and the East 185th Street area. During periods of heavy rain, Euclid Creek overflows cascading tons of water into the surrounding residential areas. Since 1975, the Congressman has been exploring measures to limit flooding and improve the sewage and drainage problems in the Collinwood area and has assigned one of his chief aides, Mr. Edward Matt, to work with city officials and community residents in rectifying this matter.

During his walking tour, the Cleveland Congressman stopped at the residence of Mr. John Palfalei of 17851 Briar Road who has lost nearly 20 feet of land due to the constant erosion of flood water. A retainer wall on his property has been virtually washed away. Other residents discussed the huge financial losses incurred because of water damage in their homes.

The tour began at St. John's Lutheran Church at East 174th Street and Nottingham where the Congressman met with a community delegation on the flooding situation. After the walking tour, Congressman Stokes dropped in at Tony's Polka Village on East 185th Street where he toured the Slovak broadcast facilities and was given a briefing on additional area concerns.

Accompanying the Congressman on the 4-hour tour were Cleveland staff members Edith Benson, Jewell Gilbert, Aaron Wheeler, and Edward Matt.

The facts gathered on this trip are being coordinated with the U.S. Corps of Engineers who have begun feasibility and project studies on Euclid Creek flooding.

STOKES GETS \$2.1 MILLION FOR CLEVELAND ENTERPRISE

Congressman Stokes was instrumental in obtaining a grant for the Hough Area Development Corporation in the amount of \$2,061,944 from the Community Services Administration. On six separate occasions, he initiated meetings with Hough executives and CSA officials to negotiate the terms of the grant and to facilitate its passage through the CSA Bureaucracy.

The Special Impact grant scheduled to run for 20 months beginning the first of October 1977, is earmarked for a variety of community oriented programs to increase jobs and to strengthen current HADC investments, including the Martin Luther King Plaza, Community Products, and the HADC Credit Union. Two major new investments are also in the making and plans are underway to rehabilitate at least 180 housing units in the impact area. According to Congressman Stokes, a major HADC initiative will be the establishment of a youth employment program in which approximately 30 jobs will be created for the residents of the Hough area who are between 16 and 22 years of age.

LEGISLATIVE UPDATE

The 95th Congress is nearing completion of a productive first session filled with major legislative accomplishments, including bills on economic stimulation and jobs, housing, education, environment, international affairs, defense, veteran affairs, and agriculture. I have been actively involved in these issues, particularly those which directly affect the lives of my constituents.

Much of my legislative work takes place in Congressional Committees. This is where the most intensive consideration is given to the proposed measures and where the public is given an opportunity to be heard. I sit on two of the most powerful committees of the House of Representatives, the Appropriations and Budget Committees.

As a member of the Appropriations Committee, I have a key vote in the allocation of money for all federal programs. In fact, this year the committee appropriated approximately \$301 billion in federal funds. To facilitate the work of the full committee, each member is assigned to strategic subcommittees. My appropriations subcommittees are Labor/Health, Education and Welfare, Foreign Operations; and Housing and Urban Development/Independent Agencies.

STOKES AMENDMENT ESTABLISHES MEDICAL SCHOOL AT MOREHOUSE

As a result of my amendment to the Labor/HEW bill, \$5 million was appropriated to establish a school of medicine at Morehouse University in Atlanta, Georgia. This amendment was the second step in my efforts to increase the participation of minorities in the medical profession. As early as March 1977, I offered a \$326,000 amendment for start-up funds for Morehouse. On the occasion that I offered these amendments, I reminded Congress that less than 2 percent of the 370,000 doctors in America are Black, and that the minority population is the most medically underserved segment of our society.

STOKES AMENDMENT HELPS FUTURE LAWYERS

My \$250,000 amendment to the Labor/HEW Bill increased funds for the Council on Legal Education Opportunity Program (CLEO). This program provides much needed funds for the pre-law education of future minority lawyers as well as funds to support them throughout their years in law school.

HEARINGS

As a member of the House Budget Committee and Chairman of the Task Force on Community and Physical Resources, I recently held hearings on Transportation policy to develop next year's federal budget.

These legislative proposals will have a significant impact on local, state, and federal operations through the expansion of existing programs and the development of new programs. Of particular interest to the Task Force was the effect of transportation programs as investments in our urban policy. At the top of the discussion list were issues relating to mass transportation in Cleveland, including specific references to Cleveland RTA and "The People Mover." During the hearings, at which Secretary of Transportation Brock Adams testified, I voiced concern that residents of poorer neighborhoods are inadequately serviced by mass transportation. They are the citizens who need it most. With businesses moving further and further away from the inner-city, community residents are in danger of becoming isolated from lucrative job opportunities.

These are just a few of the legislative issues that I tackle in my Committees each day. It is my hope to draw attention to and improve the social and economic position of my constituents. Of equal importance to my Committee work, is my voice and my vote on the Floor of the House and my interaction with federal and community officials on key issues.

During the first session of the 95th Congress, I have been particularly active in the following areas:

SENIOR CITIZENS

I have supported adoption of legislation to abolish mandatory retirement so that active senior citizens, who out of necessity or desire wish to continue employment, have the right to do so. I testified on this issue at the Cleveland City Council Chambers on August 8, 1977. I explained that age has little to do with variations in individual capabilities and is a poor indicator of ability to perform a job. At the same time, I am aware that seniors who are members of certain ethnic groups do not live long enough to begin to collect social security payments. For this reason, I have sponsored a bill to amend the Social Security Act to remove the ceiling on the amount of annual earnings subject to a social security taxation, to increase minimum benefits, provide full benefits at a reduced age for members of groups with a less than average life expectancy, repeal the earnings test, and to make other improvements in the old age, survivors and disability insurance programs.

Also on the subject of Social Security, H.R. 9346 (the Social Security Financing Amendments of 1977) recently came before the House. I received hundreds of letters on this bill which, in part, provided for mandatory social security coverage of federal, state, and local employees, and employees of nonprofit organizations. I supported the Fisher amendment which deleted from the bill mandatory social security coverage of these employees and I supported its final passage with other qualifying amendments.

HEALTH

Health is one of my major concerns since my district has more hospitals than any district in America. I have long been concerned that low-income families and the elderly receive maximum Medicare/Medicaid benefits. For this reason, I have actively supported H.R. 3, the "Medicare/Medicaid Anti-Fraud and Abuse Amendments" which would strengthen the capability of the government to detect, prosecute, and punish fraudulent activities and charges by professionals. This action will thereby benefit the poor and sick people who are most in need of services by adding more money to these programs.

As you may know, it was through my efforts that the Labor/HEW Appropriation Bill, H.R. 7555, provides \$247,000 for Community Health Centers. Though this is an increase over previous funding, the Hough Norwood Family Health Care Center in

Cleveland, Ohio, has received an inappropriate and insufficient level of funding. I continue to urge the Regional Health Administrator to restore \$975,000 since the effectiveness and evinced need for services provided by the center have been documented. Such additional funding will tremendously benefit the residents of this area of Cleveland.

HOUSING

I met with Housing and Urban Development officials to discuss the current financial crisis situation at Longwood and the necessity for major HUD assistance to insure Longwood's survival. The Longwood Cooperative houses more than 2,000 people in approximately 800 housing units. I expressed my commitment to do everything necessary to save the Cooperative, which is of great importance to the immediate surrounding community and the city of Cleveland.

NOTICE TO VETERANS

December 31st, 1977 is the deadline for Vietnam Era Bonus applications in the State of Ohio.

Veterans who recently received upgrades in their discharge would qualify for this bonus. Application must be on file before midnight, December 31, 1977.

ASSASSINATIONS PROBE MOVES FORWARD

Fourteen years have passed since the death of President John F. Kennedy and nine years since the murder of Dr. Martin Luther King, Jr. Yet time has not lessened the impact of these murders in the hearts and minds of the American people.

On September 17, 1976, in response to the overwhelming majority of Americans who believe that the full story has not yet been told relative to these two murders, the U.S. House of Representatives voted to constitute a select committee to investigate the assassinations of President Kennedy and Dr. King and to resolve the unanswered questions once and for all.

The early months of the investigation were beset by internal pressures and administrative setbacks, resulting in the resignation of the Committee's Chairman, Rep. Henry Gonzalez of Texas.

Last March, the Speaker of the House Thomas "Tip" O'Neill called on Cong. Stokes to accept the chairmanship of the beleaguered committee. In accepting this extraordinary responsibility, Chairman Stokes inherited a committee which was scheduled to terminate in three weeks time and which possessed only a temporary budget. Under the careful supervision of Chairman Stokes, the Committee was reconstituted by a vote of 230 to 181 and received a budget of approximately \$2.5 million to carry out its mandate.

Nine months have passed since that historic appointment and the committee has continued to move forward with vigor in the investigation.

The Committee staff now consists of a chief counsel, Professor G. Robert Blakey of Cornell University, and 115 dedicated individuals who have worked countless hours on the investigation, foraging through thousands of files, analyzing materials, identifying and interviewing witnesses and pursuing new leads and information.

In order to preserve the integrity of the probe, Chairman Stokes has kept a tight rein on investigative information. Nevertheless, as the investigation nears completion, the Committee will hold full public hearings and submit a comprehensive report to Congress and the American people.

CONGRESSMAN STOKES ANNOUNCES MOBILE DISTRICT OFFICE

As an added service to his constituents, Congressman Stokes has announced the opening of a mobile district office to begin service on or about December 1, 1977.

The brand-new, 28-foot unit will travel to neighborhoods in the 21st district on a rotating basis. It will be staffed with two Congressional aides who will hear problems, complaints and recommendations and will perform a variety of constituent services. Each month, an advisory will go out to the media, churches, government agencies, and community organizations to notify constituents of the location and time schedule of the mobile office.

The traveling district office will be of benefit to all of the residents of the 21st district, especially the elderly, the handicapped, homemakers, and students. Flexible and extended office hours are planned to benefit working people.

STOKES DISTRICT OFFICE: PEOPLE WITH A PURPOSE

While national and international attention focuses on Congressman Stokes' Washington activities, his twenty-first district staff is hard at work meeting the daily needs of his constituents. The twenty-ninth floor suite of offices overlooking the shores of Lake Erie is a hub of activity from dawn to dusk. And the seven highly competent individuals who work there are ready and willing to tackle the most difficult constituent complaint. Whatever the problem, someone in the district office will know where to go and what to do to find the answer.

"We want people to feel that they have an advocate in the government" Congressman Stokes emphasized. "The federal bureaucracy can be a maze of inconsistencies to even the most knowledgeable citizen. One of the prime responsibilities of my district office is to cut through the red-tape for our constituents and get them the type of services they are entitled to as citizens and taxpayers."

Each staff person is responsible for a different federal agency. They also act as an information and referral service to guide citizens in city and state government matters.

All transactions will be kept in the strictest of confidence. Absolutely no information is released unless you, the constituent, give your consent.

Please call or drop-in for a visit soon.

STATEMENT ON SOCIAL SECURITY BILL

HON. JAMES C. CORMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. CORMAN. Mr. Speaker, I only want to take a few minutes to bring to the attention of the House a bill which will resolve a longstanding dispute over the disposition of certain claims made by the States for social services reimbursement. As will be readily apparent from the background paper prepared by HEW and included as part of these remarks, this is an issue that goes back many years and in which the difficulties have only been compounded by the passage of time.

The Carter administration is to be congratulated for the breakthrough that this legislative initiative represents. It is a proposal which cuts through what has been a long and often costly series of disputes between the States and the Federal Government. It is a settlement that has been eagerly awaited by the States. Perhaps most important, at a

time when all sectors of government have good reason to be careful about the financial burdens they bear and the deliberate in arriving at any decisions which have financial implications, this bill is the result of a carefully negotiated compromise to which both the States and the Federal Government have agreed.

Mr. Speaker, I include the HEW background paper and text of the bill as part of my remarks at this point in the RECORD:

BACKGROUND

In the late 1950s the Congress authorized Federal matching under the welfare titles of the Social Security Act (titles I, X, XIV, and XVI) not merely for the traditional money payments by the States to "welfare" recipients but also for the State costs of social services provided to certain classes of the poor. At first these services, to be matchable, had to be provided by the State welfare agency and had to be provided only to current cash payment recipients (1957). Later, the State welfare agencies were authorized to purchase services from other public agencies and simultaneously were authorized to provide those services (with Federal matching) to former and potential cash assistance recipients (1962). Still later, the law was amended to allow the State welfare agency to purchase these services from private agencies (1967).

All these changes took place in the context of the "old" cooperative Federal-State welfare relationships. There were no Federal regulations governing these programs published in the Federal Register before 1969; a Federal Handbook was used for guidance by the States in interpreting the law.

As late as 1969, about 85 percent of the \$354 million claims under the Social Services program was for salaries and expenses of the employees of the Single State Agency who were engaged in the traditional case work services. Only about 15 percent was for purchased services and most of this was for day care. However, about this time there were a number of things that took place which changed this picture.

HEW became very active in 1969 and 1970 in encouraging States to integrate the delivery of social services through agreements with other agencies, and through the formation of umbrella agencies. Social Services funds were seen by the State agencies as well as by HEW staff as a source, not limited by a ceiling on appropriations, to provide the "glue" money to bring available resources together in an integrated services system, which would greatly expand the availability of services to poor people. The general thrust was to put the Single State Agency in the position of being able to coordinate and expand diverse resources to provide effective services to current, former and potential recipients of Financial Assistance.

This effort toward an integrated services system was greatly encouraged by the provisions of the Act which made former and potential recipients of financial assistance, as well as current recipients, eligible for services.

Against this background, certain State governors and State budget agencies, spurred by fiscal crises, saw an opportunity to utilize Federal funds as a substitute for scarce State resources.

They were encouraged in this by management consultant firms that helped them prepare State Plan Amendments, and purchases of services agreements, and to develop claims in an effort to gain Federal matching for expenditures of other agencies. A variety of techniques was employed, including: estimating expenditures, sampling for eligibility, and determination of eligibility after the fact.

The first State to prepare plan amendments and develop claims did so on the basis

of approved plan amendments. The next State to submit claims did so on the expectation that its plan amendments would be approved effective back to nearly a year before. The amendments were subsequently disapproved, and that disapproval is now the subject of a hearing before an Administrative Law Judge. However in the meantime, other States quickly developed amended State plans, and filed claims, and the pressure built to have all such claims expeditiously repaid.

As a result of the heightened expectations by States—even before the claims had been reviewed and approved or disapproved—estimates of the Federal share of FY 1973 social services expenditures ballooned from \$1.3 billion submitted by the States in May 1972, to \$4.8 billion in August of 1972. That prompted the Congress to set a ceiling of \$2.5 billion on social services expenditures for FY 1972.

Meanwhile, HEW requested and received from OMB and the Congress the authority to hire 427 additional personnel to help it improve the management of Public Assistance Programs, and specifically to review the allowability of Public Assistance claims before they were paid. All claims for Social Services received special scrutiny because of the tremendous size of the claims, and because many included unexplained adjustments for prior periods. Payment of retroactive claims began to be deferred until field reviews could be made.

In the course of the review of these claims, questions were raised about the interpretation of Sections of the Act and the Federal Regulations. When a memorandum from SRS attempted to answer some of these questions, a number of States objected to elements of the document, and eventually 13 States filed suit to set aside the interpretations.

Concurrently, the Congress enacted the SSI program in 1972, and consolidated the social services program for adults in a new Title VI of the Social Security Act, and the social services Regulations once again underwent revision. One outcome of the various pressures, both financial and regulatory, was the enactment in 1974 of Title XX of the Social Security Act, as a new, comprehensive social services authority with a \$2.5 billion ceiling. Under the new Title, States retained broad authority for determining the kind of social services to be provided, and the relative mix of such services within their borders.

Finally, some of the court action has resulted in District Court decisions, and a request by HEW that the Justice Department file appeals. Virtually all of the issue raised by these changing circumstances remain unsettled at this time.

H.R. —

A bill to authorize an appropriation to reimburse certain expenditures for social services provided by the States prior to October 1, 1975, under titles I, IV, VI, X, XIV, and XVI of the Social Security Act

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (1) There are authorized to be appropriated not to exceed \$543,000,000, to remain available until expended, to enable the Secretary of Treasury to pay to any State the amount, determined by the Secretary of Health, Education, and Welfare (hereinafter in this Act referred to as "the Secretary") in accordance with paragraph (2), owed to the State as settlement of a claim of the State against the United States for reimbursement of expenditures made by the State prior to October 1, 1975, with respect to services (and related administrative costs) asserted by the State to have been provided (or incurred) under an approved State plan pursuant to title I, IV, VI, X, XIV, or XVI of the Social Security Act.

(2) (A) In the case of a claim by a State for reimbursement described by paragraph (1) that the Secretary determines—

(i) was asserted against the United States, in the form and manner prescribed by the Secretary with respect to the filing of claims under titles I, IV, VI, X, XIV, or XVI of the Social Security Act, prior to April 1, 1977; and

(ii) in the case of any such claim with respect to expenditures of a State after June 30, 1972, is within the allotment of the State determined in accordance with section 1130 of the Social Security Act, as added by section 301(a) of P.L. 92-512 and in effect with respect to fiscal years beginning after June 30, 1972;

the Secretary shall certify to the Secretary of the Treasury for payment to the State the sum of—

(iii) an amount equal to 38 percent of so much of the claim as does not exceed \$50,000,000;

(iv) an amount equal to 35 percent of so much of the claim as exceeds \$50,000,000 but does not exceed \$150,000,000; and

(v) an amount equal to 21 percent of so much of the claim as exceeds \$150,000,000, provided that if the total of all such unpaid claims of a State equals or exceeds 85 percent of the total of all such claims (both paid and unpaid) of that State, the percentage specified in clause (iii) above shall be 58 percent and the percentage specified in clause (iv) above shall be 50 percent.

(B) (i) In the case of a claim by a State for reimbursement described by paragraph (1) that the Secretary determines meets the requirements of clauses (i) and (ii) of subparagraph (A) of this paragraph, except that the claim was asserted, in the form and manner prescribed by the Secretary, on or after April 1, 1977, but prior to the ninety-first day following the date upon which this Act is enacted, the Secretary shall certify to the Secretary of the Treasury for payment to the State, subject to clause (ii) of this subparagraph, an amount equal to 15 percent of so much of that claim as he finds to be for the provision of services that he finds the State provided and for which he has not provided reimbursement, but the expenditures for which were reimbursable under titles I, IV, VI, X, XIV, or XVI of the Social Security Act prior to April 1, 1977, or, if not services the expenditures for which were reimbursable, are services of a similar kind, and are not otherwise reimbursable under this Act.

(ii) The Secretary may not certify for payment or payments to any State under the authority of this subparagraph an aggregate amount that exceeds 5 percent of that State's allotment for fiscal year 1973 of social service funds under titles I, IV-A, X, XIV, and XVI of the Social Security Act, as determined in accordance with section 1130(b) of such Act, less the amount certified for payment to the State under subparagraph (A) of this paragraph.

(iii) The Secretary shall have no authority, by regulations or otherwise, to extend the time period specified in clause (i) of this subparagraph or to waive the time limit for assertion of a claim.

(3) (A) Except with respect to amounts paid by the Secretary to a State prior to April 1, 1977, no State is entitled to reimbursement of expenditures described by paragraph (1) except as provided by this Act.

(B) Neither the Secretary nor any other official of the federal government may seek to recover any amount paid to a State prior to April 1, 1977, or pursuant to this Act, with respect to a claim of the State described by paragraph (1).

(4) (A) The Secretary is authorized to enter into agreements with any State in accordance with the provisions of this Act, and agreements entered into prior to the enactment of this Act, to the extent not inconsistent with the terms hereof, shall have the

same force and effect as agreements entered into subsequent to enactment of this Act.

(B) In the absence of an agreement, a State dissatisfied with a determination by the Secretary under this Act may, by application to the Secretary within 60 days after the date of notice to the State of that determination, obtain the Secretary's review of that determination. If the applicant requests a hearing, the Secretary shall conduct a hearing after reasonable notice to the State, and shall, on the basis of evidence adduced at the hearing, affirm, modify, or reverse his determination. If the Secretary does not preside at the reception of the evidence at the hearing, the decision of the presiding official or body shall be the decision of the Secretary.

(C) No court of the United States has jurisdiction to entertain any action seeking the review of any determination or finding of the Secretary under this Act, or otherwise seeking to compel a determination by the Secretary to certify for payment any claim described by paragraph (1), provided, however, that the appropriate district court shall have jurisdiction over any action seeking enforcement of an agreement of the kind referred to in subparagraph (A) of this paragraph.

(5) (A) Amounts appropriated under paragraph (1) shall be first applied in settlement of the claims described in subparagraph (A) of paragraph (2). If, after that payment, the amounts remaining are insufficient to pay the amounts established by subparagraph (B) of paragraph (2) with respect to claims asserted under that subparagraph, the Secretary shall certify for payment with respect to each claim under that subparagraph an amount that bears the same relationship to that claim as the total of such remaining available amounts bears to the total of all claims asserted under that subparagraph.

(B) A reduction effected by subparagraph (A) of this paragraph in the amount payable to a State under paragraph (2) (B) does not give rise to an entitlement in the State to the difference between the amount payable under paragraph (2) (B) (without regard to subparagraph (A) of this paragraph) and the amount payable under paragraph (2) (B) after application of subparagraph (A) of this paragraph.

(C) In the event that the amount appropriated under paragraph (1) exceeds the payable claims under subparagraph (A) and (B) of paragraph (2), the excess shall be available to make further payment on claims under subparagraph (A) of paragraph (2) and for this purpose only the first percentage figure in subparagraph (A) (v) of paragraph (2) shall be deemed to be 25 percent.

(6) The Secretary of the Treasury shall pay to each State all amounts certified by the Secretary as payable to that State pursuant to the terms of this Act.

THE FUTURE OF THE PEACE CORPS: STAGNATION IN ACTION?

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. BONKER. Mr. Speaker, some recent articles on the Peace Corps indicate that despite a change in the leadership of ACTION nearly a year ago, the Peace Corps has not emerged from its lethargy. The problem is rather straightforward: if the Peace Corps is to be revitalized and given a fresh start it must be independent. The Peace Corps cannot be inde-

pendent and part of ACTION at the same time.

In October, Mr. HARRINGTON, Mr. GILMAN, Mr. NIX, Mr. TSONGAS and myself introduced the Peace Corps Reform Act, H.R. 9774. Thus far we have been joined by over 20 cosponsors. This legislation will give the Peace Corps the freedom, the flexibility, and the mandate it needs to fulfill its potential as the most effective and efficient foreign aid program this country has to offer to developing countries.

Mr. Speaker, I submit two articles which recently appeared in the Wall Street Journal and the Washington Post for the RECORD and encourage my colleagues to give serious consideration to important questions surrounding the future of the agency.

[From the Washington Post, Dec. 11, 1977]
THE PEACE CORPS IN LIBERIA: FRUSTRATION,
LITTLE SUPPORT

(By Mike Keller)

MONROVIA, LIBERIA.—Four months after he made the grueling 17-hour bus trip to the remote village of Webbo, the 26-year-old Peace Corps practical nurse packed his belongings and returned here, frustrated in his attempt as the first outsider to offer health services in that remote part of the world.

The motorcycle which had been promised to the former Army nurse for work in the neighboring villages never showed up.

The medical supplies he had brought with him lasted about a month. He scrounged more in a nearby village, but even a hefty supply of chloroquine doesn't last long in a nation ravaged by malaria.

The greatest frustration, however, was that in the four months he was in Webbo, no one at the Peace Corps office in Monrovia responded to his messages, let alone made provisions to supply him with the essentials to do his job.

Since his return to Monrovia, he has been teaching at the U.S.-built hospital, but he plans to leave Liberia this month, a year before his two-year tour of duty is supposed to be over.

The most disturbing element of these experiences is that they typify the complaints Peace Corps volunteers in Liberia have about programming and placement.

"You're looking for some direction and support when you're here and you're not getting it," the disgruntled volunteer said.

The irony is that the Peace Corps has contributed significantly to Liberia's development, and today, when a first-rate grassroots assistance program probably would flourish, Peace Corps morale is bad and the dropout rate among volunteers is estimated at 30 percent or higher.

An entire group of 11 rural development volunteers recently went home early. An education group of 67 volunteers which arrived early this year had shrunk to 51 six months later.

Such problems obviously are not entirely new to the Peace Corps, but after 15 years of operation in Liberia, the agency ought to have a better handle on the situation.

FUNDS REDUCED

At bottom, of course, the problems can be traced to money; in eight years, the Peace Corps budget has shrunk by nearly 20 percent.

In 1969, the budget was \$102 million; the current operating budget is \$82.9 million, which translates into \$15,000 per volunteer.

Of that amount, \$1.1 million is spent directly on the 240 or so volunteers in Liberia. That's about \$4,600 a year, or less than \$400 a month per volunteer for everything—food, housing, clothes, medical support, transpor-

tation, furniture, electricity or kerosene, vacation allowance and incidentals.

By contrast, in-country support for a technician with the Agency for International Development costs between \$75,000 and \$80,000.

Volunteers don't want that level of support by any means; they frown upon those technicians because their inflated lifestyles impede their rapport and effectiveness here.

Volunteers, however, do feel monthly allowances for housing, food and incidentals are too low.

When gripes about this reached the embassy, Ambassador W. Beverly Carter ordered a cost-of-living survey. Allowances then were raised to \$198 a month in Monrovia and \$188 up-country, a \$15 increase, but still \$45 under what the survey showed to be the minimum for volunteer support.

The Peace Corps staff has its share of problems, of course, and one of them is the enormous turnover both in Liberia and in Washington headquarters.

About a dozen administrative officers have come and gone in Liberia in the last two years. The Peace Corps country director, Dennis M. Lucey, resigned in October, citing frustration with Washington as a major reason.

Washington didn't seem too keen on Lucey either, and several Washington administrators described the Liberia program under Lucey as a "trouble country" for the Peace Corps.

Frequent staff turnover, both overseas and in Washington, has been deliberate. There's a provision in the agency's enabling legislation known as "the five-year flush." The intent is to ensure that the agency doesn't turn into a stodgy bureaucracy, but it also has deprived the Peace Corps of continuity and memory.

In Liberia, the level of staff support to volunteers has eroded so badly, but ever so gradually, that no one today realizes that the Peace Corps used to do things differently.

EDUCATION BUDGET UP

How effective the Peace Corps has been can be seen in the existence of a new breed of Liberian—young, serious-minded and bent upon uplifting their society—many of whom were taught and influenced by Peace Corps teachers.

More than 3,000 of these volunteers have spent two years apiece in Liberia since 1962, most of them as teachers in schools in the interior. When the volunteers first arrived, Liberia's education budget was \$2.4 million and 708 schools were in operation. In 1975, the most recent year for which figures are available, there were 6,246 schools in Liberia, 190,799 pupils attending them and a budget of \$12.5 million.

In an educational system geared to rote learning, there was no attempt to develop independent and creative thought. The consequences have been disastrous, a waste of potential talent that a developing nation cannot afford.

Despite these obstacles, and often despite their own lack of teaching experience, most Peace Corps volunteers proved themselves ingenious at improvising teaching materials and methods.

An American involved with education in Liberia for 10 years said, "Many very fine students will say that sometime in their past they have had a volunteer teach them. Especially if they're originally from small towns in the interior, because volunteers have been the only ones, by and large, who have gone back there and really enjoyed it."

AMERICAN INFLUENCES

Liberia is not an easy place to comprehend for Americans with little or no previous cross-cultural experience. There simply are too many American trappings here, so the uninitiated often judge and relate to this society on American terms.

English is the official language, the American dollar is the official currency, and the Liberian flag could almost be mistaken for Old Glory. The constitution and governmental structure are patterned on the American system, but, after 130 years of independence, it's still largely pattern and not practice.

Physically, Liberia is a hot, harsh and often brutal land, deluged by more than 200 inches of rain a year.

And it is a land where ignorance, poverty and disease are realities. Statistics are imprecise in Africa, but about 90 per cent of the 1.6 million people are illiterate, annual per capita income is around \$300 and the most virulent diseases known to man thrive here, cheating the average Liberian of almost 30 years' life expectancy, in comparison to Americans.

During World War II, an airfield was built by the United States, and, in the 1950s, a deep-water port was financed by U.S. funds. It's existence made it practical to mine Liberia's rich iron ore deposits, thus finally allowing the beginning of a modern Liberian economy.

Liberian exports in 1938 were reported at less than \$2 million; that rose to \$30 million in 1953 and to \$405 million two years ago.

DESCENDANTS OF SLAVES

Most Liberians are indigenous Africans, members of the 20 or so tribes which have lived for centuries on the coast and in the interior of this Ohio-sized nation, growing barely enough rice to live on and clustering in villages where they speak native dialects and practice various forms of animism.

In contrast, Monrovia and several other coastal cities are the domain of the descendants of freed American slaves who returned to Africa in the 19th Century.

While the term is no longer fashionable, these people are known as Americo-Liberians and number 50,000 at most. The political and economic base is broadening now, but Americo-Liberians have run Liberia since their descendants bought the right to settle in Monrovia from native chiefs for about \$300 in trinkets and beads.

Monrovia now is tattered and worn, its antebellum-looking buildings reminiscent of a coastal town in the South that never recovered from the Depression.

The city's population has doubled to about 250,000 in 10 years. Most of the newcomers are tribal people moving to the city, and, with few skills and little education, are compelled to live in squalor.

The shantytowns are dank, crowded, unsanitary, with rusting zinc-roofed hovels. Water is polluted but people drink it anyway. Trash is strewn at random.

Monrovia's slums have swelled so fast their presence has created pressures on the government to do something about them. Low-cost housing is being built, although not rapidly enough, and the administration of President William S. Tolbert is trying to curb the flow to Monrovia by apportioning half the national budget to development in the interior.

But "things take time," as Liberians are fond of saying, which suggests the conditions are right for a Peace Corps program.

Liberians often say that "Peace Corps [volunteers] don't eat money," which is a high form of praise and expression of trust in a country where the national pastime has been to "eat" money.

Also, the Peace Corps, because of volunteers' high visibility, has helped create a favorable impression among Liberians toward the United States. "I just want [to] go see that place, one time," Liberians will say frequently. Many of them find a way, especially college students.

To its credit, the Peace Corps has responded to the positive climate it has fostered by expanding its programs into areas

of health, rural development and agriculture.

But it is shortchanging volunteers, like the practical nurse assigned to Webbo, by inadequately supporting them and thus creating senseless frustration.

BENEFITS OF COLONIZATION

This is particularly disturbing because Liberia looks as if it is finally going to join the 20th Century. Outsiders familiar with this country would be justified in skepticism, but there has been a great change in attitude by Liberians.

My frame of reference is 1966-67, when I was a Peace Corps volunteer here and William V. S. Tubman was president. He ruled from a \$26 million executive mansion overlooking the city.

While his spending priorities can be questioned, Tubman had virtues, among them a fine sense of irony. He used to rebut critics from newly independent African nations by suggesting that, unlike them, Liberians never enjoyed the benefits of colonization—and he had a valid point.

When the British and French pulled out of neighboring African countries, they left schools, roads and reasonably well-trained civil servants.

No such infrastructure was developed in Liberia. The American Colonization Society, which sponsored the return-to-Africa movement, did support the settlers with about \$2.5 million over a 50-year period, hardly sufficient to build a nation in a jungle from scratch.

Liberia is most noted for its widespread corruption and its parodying of American ways, with an inflated sense of status. For example, a high school in the central part of Monrovia is named the College of West Africa, and, in reality, the Richard M. Nixon Institute is a private elementary school.

But Liberians seem to have their feet more firmly on the ground today than a decade ago. It's a pity, then, when vital problems are crying out for solutions here, that Peace Corps volunteers tend to view the agency which sponsors them as an obstacle to getting the job done.

[From the Wall Street Journal, Dec. 12, 1977]
CRITICS SAY EX-"RADICAL" ACTS SLOWLY AS CHIEF OF AGENCY; BROWN: "BUT I NEED TIME"

(By James M. Perry)

WASHINGTON.—Meet Sam Brown, member of the establishment.

Same fellow who declared a decade ago that "the United States is now the great imperialist-aggressor nation of the world" and went on to organize the "children's crusade" for Eugene McCarthy in the Democratic presidential primary in New Hampshire in 1968. His victim then was Lyndon Johnson.

Same fellow, too, who organized and led 500,000 Americans in the Vietnam moratorium march on Washington in 1969. His target then was Richard Nixon.

Sam Brown "was armored with unshakable righteousness," Theodore H. White wrote. "And from thousands of similar young people of his good will and his unconscious arrogance, his purity of spirit and his remarkable ability, stems much of the perplexity of future American politics."

PERPLEXING RESULTS

These days, U.S. Presidents are no longer targets of Sam Brown's, for now, at age 33, he is working for President Jimmy Carter, and his job is to try to make the Peace Corps work. Nine months ago, Mr. Carter appointed Mr. Brown as director of ACTION, the agency that runs the Peace Corps and the domestic volunteer organizations; VISTA, Foster Grandparents and Senior Companions. ACTION supervises 236,000 volunteers in this country and abroad. Its annual budget runs to \$190 million.

The Peace Corps is ACTION's highest-priority program, and the President hoped that Mr. Brown would use his good will and his ability to restore the prestige that the corps has lost since its glory days in the 1960s. But a look at the Peace Corps—and its critics—shows that the results so far seem to be as perplexing as Mr. White anticipated.

Old Peace Corps hands, members of an alumni association that now numbers 66,000, expected a lot from Sam Brown quickly. But, some of them say, he has been cautious and occasionally uncertain. They were disappointed when he refused to go along with recommendations to pull the Peace Corps out of ACTION and establish it as a public corporation.

They say Mr. Brown hasn't done much about recruiting more volunteers—and better ones. (The corps' strength remains below 6,000, one-third its size a decade ago.) "Where are the Peace Corps recruiting ads?" one critic asks. They say the system is still the same one developed during the Nixon years. Volunteers are matched to specific job openings listed by the host countries. Thus, Fiji wants an agronomist with at least one year's experience with legumes. Peace Corps recruiters try to fill the request. The more highly skilled the person they seek, the more likely they are to turn up empty-handed.

ALL THE RIGHT THINGS

"I like Sam, and he says all the right things," says Charles Peters, editor of Washington Monthly magazine and a Peace Corps member under President Kennedy and the agency's founding director, Sargent Shriver. "But the question is, does he have the drive to overcome the bureaucracy the Republicans left behind and restore a sense of excitement and mission to the Peace Corps?"

Mr. Brown thinks the criticism is unfair. "People keep saying I'm a radical," he says. "That was my reputation growing out of the McCarthy campaign and the antiwar movement. In fact, though, I'm a very orderly fellow. Whatever reputation I earned, I earned as an organizer. I was the fellow who figured out how many volunteers we needed at each street corner in Nashua, N.H., at an exact time on a certain day."

"Liberals get a bad rap when it comes to administering things. Remember, I was the state treasurer of Colorado before I came here, and you have to be prudent when you take care of all that money. I want to figure this job out and then get it done. But I need time—time and a fair chance."

Mr. Brown is taking the time. He has traveled around the world looking at Peace Corps programs and talking to Peace Corps people. He has conferred with leaders in several of the 65 countries in which the Peace Corps operates. When he took over ACTION last February, 20 of the countries were without Peace Corps directors. He has filled the vacancies, almost half of them with women and minority people.

Mr. Brown looked for more than six months for a director of the Peace Corps, a post that had gone vacant during the Nixon-Ford years. The Peace Corps was then administered within ACTION by an associate director for international operations, and the corps didn't even have its own letterhead stationery. Mr. Brown's choice, finally, was Carolyn R. Payton, a psychologist and director of counseling at Howard University here. She is a 52-year-old black woman who served in the Peace Corps in the mid-1960s as a volunteer and then as deputy director for the Windward Islands in the Caribbean. She and her agency now have their own letterhead.

"We think Carolyn's appointment is a powerful statement," Mary King, ACTION's deputy director, says.

But the most important question Sam Brown and Mary King face is whether there is still a worthwhile role for the Peace Corps—and if there is, what to do about it.

One problem is the mythology of the Peace Corps. It was born on a crisp fall day in 1961 when John Kennedy signed the Peace Corps Act. Idealistic young people from elite universities promptly swarmed to the Peace Corps colors to demonstrate to foreigners "the best that is in us" as a nation. By 1967, more than 15,000 volunteers were serving around the world, 1,200 of them in India alone (including President Carter's mother, Miss Lillian).

It was easy to join. The potential volunteer filled out a form and sent it to Washington. Weeks later, an acceptance came back in the mail. With not much training, the volunteers were swept up and shipped out.

For almost all the 86,000 Americans who served, Harlan Cleveland wrote in an Aspen Institute study called "The Future of the Peace Corps," the experience was so profound "that it cannot later be invoked without some pain and reluctance." The volunteers, Peace Corps boosters said, were highly flexible self-starters who performed small miracles in remote little villages in remote little countries.

But the fact is that things never did work well, according to C. Payne Lucas and Kevin Lowther, two former Peace Corps members who have written a book about the agency. Most of the volunteers, they say, had trouble adapting to an alien culture. Many behaved insensitively. Only a small percentage of them ever came to know and appreciate their hosts.

Sam Brown has his own image of what an ideal Peace Corps volunteer is. He met a young woman in Niger recently. Her name is Missy, and she is a health worker in a village called Abala, a 2½-hour drive across the desert from the nearest paved road. She runs a health center, supported by two native midwives.

In fact, though, more than half of all the Peace Corps volunteers have been—and still are—schoolteachers. That's because teaching is what the B.A. generalists, now and always the heart of the volunteer corps, can do best. Many of them, Messrs. Lucas and Lowther argue, haven't been very good.

Since the Peace Corps was absorbed by ACTION in 1971, the Aspen Institute report says, the Peace Corps has been "alive but invisible." Not only is its size down but also there are no corps members in such an important country as India. The elite universities don't produce volunteers the way they used to. In 1969, the University of California at Berkeley was No. 1; today it is 15th, and Penn State is first. In 1969, Stanford was third and Harvard sixth; neither is in the top 20 now.

Mr. Brown doesn't worry about that. The Peace Corps, he says, has been a preserve for white middle-class youngsters too long. He and corps director Payton want to recruit more minority people. She says she will go to black colleges and universities on recruiting missions herself. Ways are being sought to lessen the financial sacrifice for students who need cash to pay off their college loans.

"Y'all come, that's the message now," Mr. Brown said. He wants anyone, young or old, black or white, who possesses or can be taught a skill to meet—and these are the new buzzwords—"basic human needs" among the poorest people in the most underdeveloped countries.

Both Mr. Brown and Mary King, deputy director of ACTION, like to talk about prawns. The prawn is a shrimplike crustacean that's good to eat and can be "farmed" in ponds, like catfish. Mr. Brown and Miss King want Peace Corps volunteers to learn the business and to teach others.

"I don't dislike highly skilled technicians," Mr. Brown says. "It was always the veterinarian with 10 years' experience that most countries wanted. Frequently, though, people like that didn't work out. They became frustrated too easily. Now, you take someone with an

advanced degree in marine fisheries. He'd be lucky to have 10 to 20 hours in prawn culture. But we can take a kid with a plain B.S. degree and given him 400 hours in prawns. When he's through with that, he'll be ahead of everybody.

"We're going for training. That's No. 1."

First, though, Mr. Brown says, the Peace Corps has to persuade the host countries to accept "generalist" volunteers without advanced degrees or long-practiced special skills. Peace Corps directors will talk with their host ministers in departments like health and agriculture, explaining the new direction for the agency. Slowly, Mr. Brown says, the system will be changed.

The Peace Corps wants more intensively trained people like Mr. Brown's favorite, Missy, working alone out there in the boon-docks. Miss King has her own example, a volunteer in Senegal who has refined a technique for making charcoal. The old way, it took five tons of scarce wood to make two tons of charcoal; with the new technique, it takes only three tons of wood.

Old Peace Corps hands like Payne Lucas and Kevin Lowther applaud that kind of talk. "Unless," they conclude, "the Peace Corps is transformed into a respectable source of technical assistance, it should humbly fold its tent."

Sam Brown didn't come to ACTION to fold his tent. "I'm going to get the pieces in place," he says, "one at a time."

It will surely be a piecemeal process. Andy Privee, a Peace Corps recruiter in Chicago, was interviewing potential Peace Corps and Vista volunteers at Northwestern University recently. He said he hadn't heard anything from Washington about "new directions," and so he was still following the same procedures the Nixon administration had introduced. He is looking for experts—a conservationist with 15 years' experience in watershed management, for Western Samoa; a marine biologist to study *Strombus gigas* (the conch), for Belize; an agronomist with practical beekeeping experience, for Nicaragua. What he was getting, though, are what the Peace Corps always has attracted—middle-class kids with B.A. and B.S. degrees, a zest for a little adventure, and no marketable skills.

None of the students Mr. Privee talked with that day had heard of Sam Brown. Not many of them knew precisely what the Peace Corps was. One of them, Russell Climpett, a journalism major, said his friends had told him the Peace Corps "is an escape for rich kids looking around for something to do."

NO ENERGY BILL THIS YEAR

HON. NEWTON I. STEERS, JR.

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. STEERS. Mr. Speaker, I am confident that many of my colleagues share my feeling of disappointment that the Congress will not be able to complete action on a comprehensive energy plan. I want to hasten to add that I am not pointing a finger of blame at the other Chamber or at the conferees. Perhaps my disappointment can best be expressed in a letter I have received from a constituent, Mr. John W. Malley of Chevy Chase, Md., and an editorial from the New York Times of December 14, 1977, that was called to my attention by another constituent, Mr. John E. Dixon of Bethesda, Md.

JOHN W. MALLEY,

Chevy Chase, Md., December 14, 1977.

Subject: The Energy Program.

HON. NEWTON I. STEERS, JR.,

Congress of the United States,

House of Representatives,

Washington, D.C.

DEAR CONGRESSMAN STEERS: I was very disappointed to read in yesterday's morning Post that the Congress has failed us in not passing any energy legislation which is so vital to the welfare of all of the people of this nation.

As I understand the writeup in the Post, the Carter package was virtually emasculated by the way it was handled, both in the House and the Senate. I do not know whether the main blame can be placed upon the Senate leader who conferred with the House leader in respect to this legislation, in the final demoralizing hours. It does seem, however, that it is a poor system which could let such an important thing stand or fall on the whims or judgments of only two men. That could hardly be the intended representative government for all the people that we are supposed to have.

It worries me about the failure of the Congress to act, and I fear that informed citizens may come to question the ability of the Congress to deal with important matters in a timely manner.

Enclosed is a pathetic cartoon "Energy Package" which I interpret to represent the sad failure to deliver to the people and perhaps to the world at this Christmas Season.

You will understand that I do not blame you gentlemen personally, but I am just asking how such a thing could happen?

Sincerely yours,

JOHN W. MALLEY.

[From the New York Times, Dec. 14, 1977]

THE QUESTION REMAINS

One answer lies in complexity. Was it not expecting too much to hope that Congress could act promptly on anything so complicated as the 103-page National Energy Plan, replete with a welter of taxes and an array of incentives, proposed by the Carter Administration?

Another answer lies in heroic postures. Some members of Congress see themselves as brave battlers against sell-out and regard the other side as agents of profiteering. Other members see themselves as prudent promoters of new energy supplies and, in turn, regard the first group as kamikazes, willing to sacrifice all in their populist zeal.

Another answer lies in criticism of the Administration's lobbying efforts, condemned at various times and with varying justice as cocksure, treacherous, clumsy and pathetically desperate.

There is, in short, no lack of answers or blame or finger-pointing now—eight months after the energy plan was sent to Congress; four months after it was passed by the House; two months after House and Senate conferees began ironing out their differences; three weeks after the postponed Presidential trip abroad was to start; and on the eve of the rescheduled trip and a long Congressional recess. What remains, with the icy stab of winter upon the nation again, is the question.

When will Congress act?

Since the President sent his energy bill to the Congress, especially during my service on the House Ad Hoc Energy Committee, I have felt that the plan of conservation proposed by President Carter and the changes made by the House would provide the country with the time to plan effectively for energy development and use into the 21st century. I have contended that the House bill contained adequate incentives for private

industry to continue drilling for oil and natural gas and that with the plan for conservation would allow us to decrease our dependence on foreign energy supplies.

I think it is important for all of us to understand that every day lost, without an energy plan hurts our economy, and leaves us in greater jeopardy than the day before in our attempts to conduct our own, independent foreign policy. While I am confident that the conferees will explore ways to bridge the vast differences between the two versions of the energy bill, the need for solutions to our energy problem is as strong now as it was in April 1977, when the President spoke to Congress and in 1973 when our imported supplies of oil were embargoed.

THE PROPOSED PANAMA CANAL TREATIES

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. MURPHY of New York. Mr. Speaker, the Panama Canal treaties have been hastily thrust upon the American people without proper consideration. My position does not exclude a new treaty arrangement with Panama, but demands one which would completely protect the rights of both American and Panamanian citizens; and one in which both could work as partners to their mutual benefit. I submit that the treaties which have been presented to the Senate for ratification are wholly inadequate.

An analysis of the proposed treaties reveals some very fundamental and fatal weaknesses. The treaties do not contain adequate guarantees for canal availability in the interests of U.S. national security. There is no guarantee of preferential transit by U.S. warships in time of war, nor do the treaties restrict vessels of enemies of the United States from using the canal during wartime. The treaty provisions do not guarantee any continued economic success for the canal, but rather jeopardize its viability as a balanced economic entity.

Many glaring defects of the proposed treaties have not been publicly discussed because of the inordinate attention paid to many inaccurate and misleading statements made by treaty proponents regarding the Panama Canal's value, the probability for interruption of Canal operations, and the alleged attitudes of our Latin American friends toward the canal issues.

Moreover, the constitutional prerogatives of the House have been threatened through the attempt by the executive branch to transfer billions of dollars of U.S. property and territory by treaty alone. Bypassing the U.S. House of Representatives in this manner is an action which violates article IV, section 3, clause 2 of the Constitution. And in total disregard of article I, section 9, clause 7 of the Constitution, there will apparently be an attempt to disregard

House responsibilities in the matter of the appropriations necessary to execute provisions of the treaty arrangement relating to payments to Panama.

However important the administration considers the canal treaties to be, there is no justification for trampling upon basic constitutional principles. The Members of Congress are trustees for the preservation of the powers of Congress and must continue to exercise diligence in protecting and preserving the basic principles of separation of powers in our Government.

I would also point out some military and commercial facts which unmistakably underline the continuing importance of the Panama Canal and Canal Zone to the United States. First, the canal's military value: the United States' lack of a true two-ocean Navy at a time when the United States has commitments in virtually every ocean and sea of the world makes the canal's immediate availability for transit extremely important. A second fact, continuously ignored by treaty proponents, is that 97 percent of our naval fleet can transit the canal. The other 3 percent was designed and built with no intention of transiting from one ocean to the other. More important, the future trend in naval ship design is toward smaller and faster vessels.

Historically, the canal has been a major military resource in virtually every hostility since its opening in 1914—World War I, World War II, Korea, the Cuban missile crisis, and Vietnam. Located within the Canal Zone are the only major ship repair facility within 1,600 miles of U.S. ports on the Atlantic side and 2,500 miles on the Pacific side; the only U.S.-controlled air base within 1,000 miles of the United States; a military and communications crossroads for the Western Hemisphere; and the only existing transisthmian pipeline for ship bunker oil and aviation fuel. Finally, the lack of adequate west coast port facilities for the loading of supplies and ammunition makes the canal crucial to any U.S. military contingency in the Pacific theater.

Commercially, the Panama Canal is of vital interest to the United States because two-thirds of those vessels transiting have a U.S. port as a point of origin or destination. Furthermore, assuming no exorbitant toll increases, the Maritime Administration estimates that by the year 2000 U.S. exports through the canal will have doubled. The percentage of the total dollar value of U.S. foreign trade transiting the Panama Canal has steadily increased in the past and is expected to continue growing in the future. Even more striking is the fact that 70 percent of all the cargo which has transited the canal has done so in the last 25 years. Lastly, the commercial value of the canal to the United States is demonstrated by the fact that 96 percent of the U.S. merchant fleet and 92 percent of the world's merchant fleet can transit the canal today.

Next, I would address the contention that the operation of the Panama Canal would be impaired should these proposed treaties be rejected. The argument has

been offered that the Panama Canal is vulnerable. But the same vulnerability applies to hundreds of public works in the United States, as well as the U.S. Capitol a portion of which was blown up by radicals just 7 years ago, but we would scarcely consider this sufficient reason to negotiate over their futures. The Panama Canal is a durable concrete structure which was reinforced during World War II to protect its vital operations center from attack by air, sea, or land by the Axis Powers. It has been successfully protected during two world wars, the Korea war, and the Vietnam conflict. U.S. military officials charged with protection and defense of the canal have affirmed that the canal can be defended.

Proponents of the treaties have asserted that there is a need for a treaty relationship which would make Panama a partner in the canal defense. I agree wholeheartedly, but I point out to my colleagues that under article 10 of the 1936 treaty, both Panama and the United States are already committed to respond to any danger to the canal by taking, and I quote, "such measures of prevention and defense as they may consider necessary for the protection of their common interest." Furthermore, it is in the economic interest of every Panamanian that the continuous operation of the Panama Canal be insured whether or not there is a new treaty arrangement. Lastly, I would stress that it is demeaning for our own treaty negotiators to have prompted the treaty approval under threats of violence. Selling the proposed treaties on the basis of threats of violence would be a disastrous precedent for the U.S. conduct of its own international relations. The United States must decide this matter on the basis of whether the proposed agreements are in the best interests of the United States and Panama, not on the basis of intimidation.

The attitude of our Latin American neighbors is another element of debate on the canal treaties with which proponents of the treaties have dealt in a simplistic and inaccurate fashion. It has been stated that all of Latin America wants a new canal treaty relationship, and that the canal issue unites all of Latin America. What goes unsaid by proponents is the fact that Panama has sought but failed to receive the kind of ironclad Latin support she has desired; that Latin American countries have sponsored several initiatives (such as the 1977 Organization of American States resolution asking that canal tolls cover only operating costs) which run directly opposite to the thrust of the proposed treaties; that each Latin country has its own set of demands on the United States but all will generally support each other's list of demands; and that despite the publicity given to the canal issue, few if any Latin nations will take negative steps if the treaties are rejected.

We are given the impression that the radical left in Latin America is against the canal treaties, and that these proposed treaties appeal to the mainstream of Latin American political thought. Yet the Communist Party of Panama sup-

ports ratification of the proposed treaties, as does the Communist Party, U.S.A., and other Communist groups around the world. The record of debate should accurately reflect this.

In bringing forward such points, the overriding principle to which we must adhere is that the United States will define its own foreign policy interests and proceed to protect them. The United States could allow the threats of a dictator from Panama, or from any country, to dictate our policy.

In closing, I would state that as chairman of its parent Committee on Merchant Marine and Fisheries, I can appreciate the need for a reevaluation and modernizing of our treaty relationship with Panama. I urge that the Congress of the United States—and by this, I mean both Houses—be consulted and fully informed of the facts regarding what is being given up and what is being gained. Unfortunately for the American people a comprehensive and fair accounting of all such facts has not yet been presented.

THE AFRICAN DOUBLE STANDARD

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. ASHBROOK. Mr. Speaker, our country is participating in an ill-founded trade embargo with Rhodesia. Some now are urging a total trade embargo with South Africa.

Many black African nations are urging such a trade embargo and a cutoff of all relations with black Africa. But their words are much louder than their actions. While they castigate South Africa in speech, in actuality they very quietly are trading with South Africa. It is the old law of do what I say and not what I do. It is, of course, the same attitude that is evident in the trade embargo on Rhodesia.

The Wall Street Journal recently ran an article that talks about the secret trade between black African states and South Africa. As can be seen from the article, South Africa carries on extensive trade in almost every commodity with other African countries. At this point I include the text of the article in the RECORD:

FRIENDLY ENEMIES—SECRET TRADE ILLUSTRATES SOUTH AFRICA'S POWER IN REGION'S ECONOMY

(By Richard R. Leger)

JOHANNESBURG, SOUTH AFRICA—In a comfortably furnished office on the seedy edge of this city's commercial center, an executive of a big South African trading company serves tea to his visitor, then gestures to a world map on the wall.

Pinned to the map are little white flags denoting other places where his firm has offices. "Please don't say how many there are," he says, "or someone will be able to identify us."

The executive's firm does a lot of unpublicized business with black African nations. Since many of these nations are constantly denouncing South Africa, they might find it embarrassing if it became known that they were engaging in large-scale trade with this

country. The executive is afraid that identification of his firm would lead to such embarrassment and—more important to him—to the loss of business for his firm.

In this city's lush, hot, white suburbs and in modern, air-conditioned skyscraper suites, many other businessmen operate under similar constraints of secrecy. They form what is known as the South African connection, dealing not in illicit drugs but in such everyday goods as carpets and corn, and serving a clandestine network of customers spreading through black Africa.

EASIER AND CHEAPER

The connection reflects a key fact of life in southern Africa: This country is preeminent in the economy of the region. The connection also reflects the region's inadequate web of roads, rail lines and ports; it is often much easier and cheaper for black nations to deal with South Africa than to trade with one another or with other lands.

There are at least 150 million people in the southern half of Africa including Kenya, the Central African Empire and Zaïre, who feel the influence of South Africa almost daily," says Prof. Piet Nieuwenhuizen, chairman of the department of economics at Rand Afrikaanse University in Johannesburg. "If it isn't from wage earnings from the South African gold-mining industry, it's in the form of using some products imported from South Africa or using some form of assistance such as veterinary or medical help."

Now the South African connection is being threatened by repeated calls for an economic embargo against South Africa, spurred by widespread international abhorrence of this country's system of racial segregation and discrimination. Many of these calls, paradoxically, come from black African nations that deal with South Africa. Equally paradoxically, any such embargo could have a harsher impact on those nations than on South Africa itself.

In an interview in his spacious private office in Pretoria, Prime Minister John Vorster is asked whether his country would retaliate with counterboycotts. "Our policy has always been not to indulge in counterboycotts," he says. Then, after a silent pause of perhaps 20 seconds, he adds, "But depending on the circumstances, we will do from time to time what we consider in South Africa's interest." It is conceivable, then, that an embargo on, say, oil shipments to South Africa, would lead South Africa to stop shipping platinum, say, or food to some other countries.

South Africa trades fairly openly with a dozen other African states—Botswana, Lesotho, Swaziland, Rhodesia, Mozambique, South West Africa (Namibia), Mauritius, Zambia, Malawi, Zaïre, Gabon and the Ivory Coast—though most of these countries prefer to keep quiet about such dealings. It also trades clandestinely with many other black African nations.

"MARXIST FORCES AT PLAY"

"Hypocrisy is the main ingredient on this continent," says a white diplomat here. "Rhodesia (with whom no UN member is supposed to trade because of economic sanctions imposed by the United Nations) is bringing its chrome ore down; it's blended with South African ore (to disguise its unusual high-grade qualities) and then it's exported through Mozambique. It's the market forces at play. Most African countries are so poor that they can't afford to be moral in their transactions."

Although official trade figures show a much smaller volume, the South African Foreign Trade Organization here (SAFTO) estimates that South Africa's dealings with the rest of Africa total a billion dollars in exports and half a billion dollars in imports annually.

This reporter's examples of extensive black African trading with South Africa came from South African sources only and

weren't verified in other countries. It is, understandably, difficult to obtain such verification from black African sources.

"The South African issue is a politically explosive issue in terms of large numbers of African governments," says an official at the London embassy of one black African nation reported to be trading with South Africa. "I don't want to be quoted in any way, and as far as we're concerned, we don't have any trade with South Africa. Whether South Africa is trading with many black African countries or not isn't a matter I want to tread on."

Nonetheless, examples of such trade were developed in interviews with more than a score of South African businessmen, bankers, economists and government officials, and in most instances they were checked with more than one South African source.

South Africa's importance to the Western world is well documented. Of total known world reserves, it holds 71% of the platinum, 63% of the chrome, 59% of the gold, 39% of the vermiculite, 37% of the manganese, 20% of the uranium and 19% of the vanadium. Its combined exports and imports last year totaled \$2.33 billion with Britain, \$1.98 billion with the U.S., \$1.76 billion with West Germany and \$1.28 billion with Japan.

The big trade with the major industrial nations means jobs in South Africa for residents of other African nations. For many African neighbors, South African mining companies are the major source of employment. As of June 30, 1976, foreign employment, mainly in mines, totaled 43,159 from Botswana, 160,634 from Lesotho, 12,761 from Malawi, 111,257 from Mozambique, 32,716 from Rhodesia and 20,750 from Swaziland.

G.M.E. Lelstner, director-designate of the Africa Institute of South Africa, a pro-government organization, estimates that his country accounts for 70% of the gross national product of southern Africa, which is generally accepted as including, besides South Africa, Angola, Botswana, Lesotho, Malawi, Mozambique, Rhodesia, South-West Africa, Swaziland and Zambia.

Even more dramatically, he estimates that South Africa accounts for 25% of the GNP of the whole continent, including 90% of the steel, over 50% of the power generated, 47% of the telephones, 44% of the motor vehicles, 40% of total manufacturing output and 30% of the cement.

The regional geography also adds to South Africa's economic power. Botswana, Lesotho and Swaziland are landlocked and get all their oil through South Africa. Rhodesia, Zambia, Malawi and even Zaïre—all landlocked except for an inadequate port in Zaïre—are heavily dependent on trade with South Africa. Angola, South-West Africa and Mozambique have extensive coastlines, but Angola lacks good natural harbors and South-West Africa is under South African control.

In the 12 months ended last March 31, 17% of South Africa's total exports and imports was handled through the Mozambique port of Maputo, a daily total of about 24,000 tons. About 35% of Malawi's imports come from South Africa. Exports and imports shipped by rail between South Africa and Botswana, Zaïre and Swaziland are running about 250,000 tons annually for each country.

The black African states' shipments to South Africa consist largely of coffee, tea and raw materials such as copper from Zaïre's Shaba Province and timber. Hardwood from Brazzaville (Congo) is purchased quietly outside normal trade channels, says W. B. Holtes, chief executive of SAFTO. He adds that "a lot of our trade with French (African) countries goes through Paris."

Food is a big South African export. "There are 10 Lockheed Hercules freighters that go regularly to Malawi and the Congo (Zaïre) with fresh fruit and maize," Mr.

Holtes says. An officer of a large South African trading company adds: "We know that Zaire has two DC9s that fly to South Africa, Rhodesia and Kenya to bring in meat every day. They also bring the planes into Johannesburg to be serviced. Where the hell else are they going to be serviced? We also move about 150,000 tons of maize a year from Rhodesia into Shaba Province. If we didn't they'd starve."

The Central African Empire has been flying in cement from South Africa, Mr. Holtes says. Another SAFTO official adds, "I was in a plane loaded with carpets and air-conditioners and TV sets for a hotel project in the Central African Empire. I can't tell you the name of the hotel because the exporter says it's classified, probably because trading with South Africa is an embarrassment to the government. But it isn't the Rock or Safari hotels."

Much of the mining machinery and spare parts sold to countries such as Botswana, Lesotho, Swaziland, Zambia, Zaire, Mozambique and Ghana comes from South African manufacturers, say businessmen here. "This equipment has been developed for specific African conditions," one businessman says. "It would be very difficult for them to find spare parts elsewhere."

South Africa also trades clandestinely with such powerful African nations as Nigeria, it is asserted here. "We send quite a lot of foodstuffs by ship," says a trading company executive. "They stop at Cotonou or Lome (ports in small neighboring countries) and the stuff is discharged and then brought in on fishing boats or by road into Nigeria." By this means, the Nigerian importer also avoids the chronic congestion of the Nigerian port of Lagos, which can delay deliveries as long as six months or more, he says.

Prof. Nieuwenhuizen says a major industrial company in South Africa just signed a \$2 million to \$3 million contract with Nigerian interests to help set up an engineering shop there, supplying it with machinery made in South Africa. "Getting the machinery there isn't a problem," he says. "How do you stop goods from going from one country to another after they're at sea?"

Trade with South Africa is so extensive that it includes "almost every country on the continent," Prof. Nieuwenhuizen says. "I walked into an automobile-component manufacturing company's dispatch warehouse and the managing director showed me about 100 wooden boxes ready for dispatch to 64 different countries," he says. (Some are not in Africa.) "There was hardly a country in Africa whose name wasn't included on the list."

South Africa's trade ties extend beyond the continent to Iron Curtain countries that would like to keep such business connections a secret. "We do quite a business with Poland and East Germany," a trading-company officer says. "We ship mainly chrome, ores and metals, and we import chemicals and sulfur. They seem to do their own shenanigans through Amsterdam and Antwerp. But what they do, we don't know and don't care. I don't know what certificates they go out with or come back with. The business is growing."

One illustration of the force of South Africa's trade dominance with its neighbors is the nature of the traffic on the Botzang highway, opened last January. Linking Botswana and Zambia, it was built largely with U.S. funds to make Botswana less dependent on neighboring Rhodesia and South Africa. But the road now is being used extensively to ship South African goods into Zambia. Such recent shipments include lubricating oil for Zambian copper mines, potatoes, cooking oil, medicines and 22,000 cases of South African-made beer bottles, each containing 24 bottles. These were being shipped to Zambia's brewery, which makes beer but not bottles.

Further, South Africa is heavily involved in repairing and otherwise supporting black African railroads. "We started repairing freight cars for Mozambique and Swaziland and supplying spare parts for Zambia and Zaire about two years ago," says J. G. M. Loubser, general manager of the South African railways, harbors, airways and pipelines. "In Mozambique we also placed orders for tank cars at a firm in Maputo to keep them going economically." He says South Africa has also helped Mozambique to run its harbor, railroad and airline.

South Africa's involvement in black Africa doesn't end there. It extends to aircraft repairs at Johannesburg's Jan Smuts Airport for Boeing airplanes flown by Mozambique and Malawi. It encompasses research work at agencies such as the National Metallurgical Institute, where South Africans are designing possible extraction methods for a large platinum deposit discovered in Mozambique.

The free-wheeling attitude of South Africa's businessmen working "back door" deals is well expressed by one executive who says: "As long as you don't embarrass the governments concerned, you can do anything you like from Rhodesia or South Africa. Sanctions against Rhodesia are a farce, and the only way sanctions could work in South Africa would be if they blocked the South African ports. And as far as black African states are concerned, they'd die without us."

CRIME RESISTANCE

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. RODINO. Mr. Speaker, as chairman of the Committee on the Judiciary, I have seen, firsthand, the devastating effect crime has had on the people of our country. I have also realized that the many arms of our country's law enforcement system cannot totally control the ever-mounting problem of crime. To effectively reduce crime and its subsequent pain and suffering, an addition to our law enforcement system has to be made—simply, our citizens must become more aware of the dangers of crime and they must become more involved in crime prevention.

In broadening the base of the Federal Bureau of Investigation's anticrime efforts, Director Clarence M. Kelley has established a "Crime Resistance" office. Through this office, along with local police departments, an attempt is being made to muster citizens to develop an attitude of crime resistance.

As Director Kelley has said:

Crime is not only a law enforcement problem—it is every American's problem.

This attitude to take preventive measures in conjunction with local police will help form an effective law enforcement team. This is not a call for individual or collective "vigilante" action, but a call for cooperation and involvement by every citizen with law enforcement officials.

A perfect example of citizen involvement is currently taking place. By now many of my colleagues have received miniature posters and have seen full-size posters in their local districts displaying

the pertinent message, "Join the Resistance—Your FBI and Local Police." Through the combined efforts of the Outdoor Advertising Association of America, Inc., and the Law Enforcement Assistance Foundation, billboards are being displayed throughout the country calling attention to the need for personal attention to the dangers of crime.

In a time when our Government and its citizens are involved in their daily routines, it is refreshing to see an industry such as the Outdoor Advertising Association of America, Inc., and the Law Enforcement Assistance Foundation take a positive step forward in reducing the problem of crime. I offer by sincere congratulations in this most worthwhile effort.

YOUTH UNEMPLOYMENT

HON. WILLIAM M. BRODHEAD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. BRODHEAD. Mr. Speaker, one of my constituents, Morton M. Kanter, has written a thoughtful article on the problem of youth unemployment. I take pleasure in sharing his thoughts with my colleagues. The article follows:

YOUTH UNEMPLOYMENT: MORE THAN JOBS FOR DISADVANTAGED

(By Morton M. Kanter)

President Carter said repeatedly—during the campaign—that he deems unemployment to be the Nation's Number One problem. The groundwork for this pronouncement included recommendations based on suggestions from leading scholars and students on the American family that "the most severe threat to family life stems from unemployment and lack of adequate income." The report called for increased jobs to lower the unemployment rate and increase the purchasing power of American families.

While one may dispute the President's contention that unemployment is the nation's foremost trouble, no one can dispute that unemployment ranks high on the list. Particularly among black teenagers unemployment ranks dangerously high. The out-of-work black youth suffers not only because he is black, but also because he is a teenager. The national unemployment rate for all workers is bad enough, hovering above 7 per cent. For teenagers, black and white, the rate is about 2.5 times the rate for all workers—or about 20 per cent. For black teenagers alone, the rate is a staggering 40 per cent because of age and race and it is not likely to decline soon.

What can be done to alleviate or reduce youth unemployment, particularly black unemployment? Labor Secretary Ray Marshall recently said: "Much of what we will do to affect youth unemployment in general and black unemployment in particular, still remains to be done." What Mr. Carter proposed and the Congress provided is the Youth Employment and Demonstration Projects Act of 1977. This \$1.5 billion employment stimulus package administered by the Department of Labor's Employment and Training Administration has already provided a \$30 million promise to train unemployed Washington area youngsters for such jobs as parking meter readers, water purity testers and building security guards.

Yet, this kind of economic stimulus for the Nation's disadvantaged youth is a reminder of previous part-time public works

projects. Such a partial remedy might help if the programs were properly administered and if the projects actually needed doing. The Youth Employment Act does make a gesture in this direction when it says: "It is explicitly not the purpose of this part (Title II—Youth Employment Demonstration Programs) to provide make-work opportunities for unemployed youth."

However, a larger problem exists: Since so much Federal attention has focused on youth employment during the past 16 years it should be convenient and desirable to be able to describe the Federal policy with respect to youth employment. Unfortunately, however, it is impossible to meet that challenge since such a policy does not exist. In recent years, we have witnessed the passage of numerous pieces of Federal legislation addressing the problems of youth employment. In addition to the programs under these pieces of legislation, we have seen the creation of a variety of other youth employment related programs, although most have had other youth problems, such as delinquency, as their major focus. We have seen, then, such efforts as the Neighborhood Youth Corps, Job Corps and vocational education and despite the hundreds of millions of dollars which have been spent on these programs, it is still difficult to argue the existence of a Federal policy toward youth employment, or even a Federal policy toward youth.

If there is lethargy in this area it is because most young people stumble but grow up without Federal intervention and learn to accept useful, productive places in their community. They recognize early that they have a stake in society; a social role which is seen as desirable and worthwhile, both by the person in it and by those around him. The most common example of a stake in society is a decent job.

The 15 or 20 percent of America's youth who do not make it suffer from all the ills our society breeds; consistently high unemployment, discrimination in attempting to enter the labor force preventing them from becoming skilled, "stop-gap" measures to reduce youth unemployment, minimum wage and child labor laws which discourage employers from hiring youth; and numerous school systems that have failed to adjust to changing labor force demands and do not prepare youth to participate in today's economy.

Analysis of these long term trends yield a number of conclusions about youth unemployment and important strategies that, if adopted and put into action could eliminate or substantially reduce youth unemployment.

First, we must counter discrimination through a strategy to enhance employment opportunities for minority youth by the application of constitutional, administrative and statutory provisions to eliminate discriminatory practices which limit employment opportunities for minority youth. The Departments of Labor and HEW should establish a "Youth Employment Pulseline" to provide information to job seekers, government agencies and employers to combat discriminatory practices against teenage youth. The "Pulseline" should also provide information to young job seekers and their families on regional job markets, for in our mobile society job searches by young people need no longer be tied to the neighborhood where they live.

Secondly, now is the time to stimulate employment demands for all youth whether or not they are disadvantaged, through indirect and direct subsidies to employers hiring youth. 16 to 19 year olds should be included in legislation seeking to reduce general unemployment and the Youth on Employment and Demonstration Projects Act should be amended in keeping with the thinking of the House of Representatives to include funding and wage subsidy of jobs in the private sec-

tor. This step alone would have far reaching positive effect on the youth labor market. Most employers must pay teenagers about \$3 an hour (\$2.30 plus compulsory fringe benefits of about 70 cents) and it is surprising that a teenager ever finds work at all without Federal subsidy to an employer.

Lastly, we have urgent need for a strategy to counter youth unemployment through a nationwide evaluation of Federal, State and local job placement agencies. New and improved guidelines for job counseling starting as early as 10 to 12 years of age for boys and girls is a parallel necessity.

For most Americans the main legitimate way to satisfy the wants of material goods, deference and security is to hold down a worthwhile job. Most youth at least have the promise of access to such a role, and this promise helps keep them doing what they are supposed to do in the meantime. Youth employment legislation until now has been stopgap, providing hefty dollar support for the poor and disadvantaged, who are still left to strive for access to meaningful jobs after Federal program support has ended.

Now is the time to modify past Federal initiatives and to build a strategy that will permit far more young people than solely the poor and disadvantaged to grow-up as productive members of their community. Public discussion should produce a Federal policy for youth employment and youth.

IN SERVICE TO HUMANITY

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. RODINO. Mr. Speaker, I would like to call my colleagues' attention to a very revealing commentary by James Reston in the New York Times. Mr. Reston describes the significant work performed by those public servants whose jobs require them to "be there" when people across the world most need them. The Federal workers described in the piece have a remarkable record of performance, and I am especially proud of Ms. Anne Martindell, former State senator from my home State of New Jersey, who is in charge of the Foreign Disaster Assistance Office in the State Department.

With recognition for the service to humanity by our Federal workers, I submit the following story to be included in the RECORD:

THE FORGOTTEN CONSOLERS

(By James Reston)

WASHINGTON, Dec. 8.—This is a report, maybe more of a letter, about the other side of Washington—not the spendthrift heartless bureaucracy you hear so much about but the work of anonymous public servants who devote their days to relieving the suffering of the human family.

There is a large company of such people in the Federal capital dealing with the pity and accidents of life along our coasts or in our flooded valleys or crowded cities or burning forests, but they also labor abroad wherever they are needed and wanted.

For example, the Office of United States Foreign Disaster Assistance in the State Department has been struggling almost unnoticed in recent days with the consequences of a typhoon in India which has taken the lives of over 10,000 people—by actual body count—and maybe as many as 50,000 by official estimates.

This occurred, as usual, at the end of India's southwest monsoon or rainy season in

the states of Tamil Nadu, Andhra Pradesh, Kerala and Karnata, where, according to State Department reports, winds of 60 miles an hour produced a "tidal wave 19 feet high and 50 miles long" striking the coast of Andhra Pradesh at a "speed of 120 miles an hour."

It is not possible to verify these figures at this distance, but Louis Samia, Deputy Executive Director of CARE, has just returned from the worst of the devastated areas, and estimates that over 2 million people have been left homeless in Andhra Pradesh State alone, and 317,000 more in Tamil Nadu.

What happens here after one of these sudden human calamities? The answer is that a great deal happens that very few people ever hear much about. In the first place, the Agency for International Development in the State Department maintains four regional disaster-supply stockpiles of medicine, food, tents, blankets, clothing and other essentials at Guam in the Pacific, Singapore, Panama, and Italy.

These relief supply depots are located in those particular areas because the tragic fact is that, whoever is in charge of this terrestrial world, seems determined to afflict the poorest people of the earth. Seventeen of the 26 most impoverished nations in the world have been struck by earthquakes or devastating floods in the last five years.

During the years from 1965 until this latest tragedy in India, the United States Government has provided relief assistance for 516 disasters in other countries, involving almost unimaginable human tragedies—over three and a half million deaths, and property damage of more than \$18 billion.

Several points should be made about this that go against modern popular belief. The aid was not given by the Government here alone, but in the closest cooperation with private relief agencies like CARE and church organizations carrying on the old religious tradition of "comforting the afflicted."

Emergency relief abroad has taken many forms over the years, from Herbert Hoover's food programs after the first World War to George McGovern's valiant efforts to relieve world hunger in the 1960's.

Relief has been furnished by grants voted by the Congress regardless of party under the Food for Peace program; by airlifts, airborne search and rescue teams; by liberal private donations in those little cardboard boxes for foreign missions; by corporate donations of the big American multinational companies—and much more beyond party or ideology or religion whenever people were in trouble.

Also, modern American technology is now beginning to play an increasingly important early-warning role in disaster prediction through new instruments for measuring geological and meteorological disturbances: remote-sensing satellites, computerized information systems, telemetry and seismic construction methods—all these are being used to predict and avoid human suffering everywhere on the globe.

This is the forgotten and consoling aspect of American foreign policy that began at the beginning of the Republic. In fact, the first appropriation of money by the Congress of the United States to assist a foreign government was for disaster relief—\$50,000 voted on May 8, 1812, for the purchase and delivery of medicine and other supplies to the families of over 25,000 killed in the Venezuelan earthquake of that year.

So the old tradition goes on. John Gilligan, former Governor of Ohio and now head of AID in the State Department, presides over these rescue operations. And Anne Martindell, a former State Senator from New Jersey, is in charge of the Disaster Assistance Office.

They don't get into the news very often, but as that old democrat John Milton remembered: "They also serve who only stand and wait."

CONCURRENT RESOLUTION TO
CONVENE A WORLD ALTERNATE
ENERGY CONFERENCE

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. JEFFORDS. Mr. Speaker, I am introducing today a resolution, which is also being introduced by Senator HUMPHREY in the Senate, calling for a convening of a World Alternative Energy Conference in 1980. The purpose of the conference is twofold: First, a world conference on this subject has never been held, although there have been other more limited forums which have addressed the problem in piecemeal fashion over the last few years. Broadly, the conferees would consider specific ways for countries to work together to promote more widespread use of alternative energy resources.

Senator HUMPHREY's and my major goal, however, in introducing this resolution, is to examine the desirability of establishing an International Alternative Energy Commission to facilitate the transfer among countries of information relating to alternate energy sources and to otherwise encourage the use of alternate energy sources. It is apparent that a more organized effort to cross-fertilize ideas, systems, and hardware among advanced countries and lesser developed countries is in order. Successful irrigation experiments with wind machines or solar thermal pumps may occur, let us say, in north Africa, and may be just as applicable in south Asia. Such an institution would insure that lessons learned would be shared on an international basis.

Furthermore, development work may be in progress in private industry with little or no Government involvement. These activities, too, we envision, would become more widely known, as such an international institution could act in a clearinghouse fashion. We believe, in short, that the range of development, demonstration, and commercialization activities going on in the alternative energy field is now such that a more organized international effort—through the auspices of a major international structure—would be very timely and valuable.

In order to facilitate the orderly and efficient worldwide development of nuclear power we established the International Atomic Energy Agency. Now, at the threshold of the solar age, I think it altogether appropriate for an institution of comparable stature be established for alternative energy technologies.

I believe the United Nations, which has the experience and ongoing mechanisms to plan and sponsor a conference such as we envision for 1980, would be the best way to get things moving at the earliest feasible date.

It is a privilege for me to share the cosponsorship of this concept and this resolution with Senator HUMPHREY, who has, without question, done more to turn the attention and efforts of the Congress toward the development of solar energy than any Member of either Chamber.

A RETHINK OF ENERGY POLICY IS
IN ORDER

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. LAGOMARSINO. Mr. Speaker, the President's stated realignment of priorities "to meet the country's real energy need" is commendable, but does not address the problem of basic research. Too narrow a focus on near-term "practical" goals could have serious consequences for future economic growth, which may depend on new science and technology:

A RETHINK OF ENERGY POLICY IS IN ORDER

(By William C. Hayes)

President Carter's moral equivalent of war—the pursuit of a responsible and effective energy policy—has degenerated into a series of nasty guerrilla skirmishes. His energy package, which slipped so smoothly through the House, has disintegrated under virulent attack in the Senate. To some extent, this defeat reflects successful lobbying by special-interest groups. But the fact is that the proposal was clearly seen as a pastiche of ill-conceived measures that did little to solve the energy crisis, but which basically gave the government the power to manipulate the price and cost of energy. This moved the package out of the area of morality into the political arena, making it vulnerable. We suggest that some zero-base planning, especially in the nuclear area, is now in order.

The Administration seems to have missed the point that we do not really have an energy crisis, but rather an oil and gas crisis. From this perspective, it becomes clear that the cornerstones of national policy must be the vigorous pursuit of other energy sources, and the strongest possible program of incentives to conserve oil and gas. Carter's program purported to provide the latter, with a combination of wellhead taxes, gas-guzzler taxes, utility fuel taxes, and control of electric rates, to quench the people's thirst for energy. But this is coercion, not incentive. Though perhaps consistent with a wartime philosophy, it is otherwise unacceptable. Besides the clumsiness of this approach, we find it incomprehensible that nuclear power, a major alternative to gas and oil, was hurt rather than encouraged by his program.

The President has called nuclear power a technology of last resort. But in a war that we are in danger of losing, even last-resort weapons must be used, unless that use would be morally unconscionable. It appears to us that, if morality is involved here, it is on the side of nuclear power. At the World Energy Conference in Istanbul, Turkey, last month, delegates from Third World countries were vociferous—even hostile—over what they saw as a rich country's selfish denial of nuclear technology to those who desperately need it. At the same time, by refusing to exploit its nuclear capability, the U.S. continues to take oil out of the world markets, raising the price to the third world by doing so.

The Administration argues that its nuclear stance is designed to inhibit proliferation of nuclear weapons, not commercial nuclear power. But as country after country also pointed out in Istanbul, Pandora's nuclear box is already open, and, short of preventing the scientific education of the rest of the world, there is no way to prevent any nation from gaining nuclear-weapons capability. But, though it may be ineffective in attaining that intended goal, current Administration policy has been tremendously effective in bringing commercial nuclear power to a halt in this country.

We respectfully suggest that the President now formulate a fresh energy policy in the

light of two considerations: (1) In a moral-equivalency war, as opposed to actual war, national policy must be persuasive, rather than coercive; and (2) no war of either kind can be won by deliberately failing to use all weapons acceptable by international accord.

COLLECTIVE BARGAINING AND
AGENCY SHOP FOR FEDERAL EM-
PLOYEES

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. CRANE. Mr. Speaker, as we conclude a session of Congress that has been notable for the amount of labor legislation considered, it seems to me appropriate that we look at another measure organized labor may bring to the floor early next year. That measure is H.R. 9094, on which hearings were completed in September and which is due for mark-up sometime after the new session convenes in January.

Briefly stated, H.R. 9094 would establish collective bargaining for Federal employees within the framework of a compulsory agency shop arrangement. In addition, exclusive representation, binding arbitration, and a Federal Employee Pay and Benefits Council are provided for—the latter to negotiate wages and benefits with the Civil Service Commission, the Director of OMB, and the Secretary of Labor. Furthermore, the bill mandates that certification elections for exclusive representation rights be held within 45 days with unresolved issues to be settled afterward (as in H.R. 8410) and subjects agency rules and regulations to the collective-bargaining process for the first time.

If this bill is adopted, and all these changes made, it will be a significant departure from present procedure. Currently, under Executive Order 11491, as amended, Federal employees have the right to join, or not join, a union as they see fit without any requirement to pay dues to a union in lieu of joining. Also, under the current setup, such things as wages and benefits are not subject to employee consultation or negotiation. H.R. 9094 would change all that. Not only would Federal employees be represented by a union whether they wanted to be or not, but they would have to pay for the representation even if they did not want it.

As a matter of fact, H.R. 9094 not only provides for mandatory payment of a representation fee (except for religious or conscientious objectors who can contribute an equivalent amount to a designated charity) but it also gives the union the right to be present at certain employee-management discussions even if the employee does not want a union representative there. Moreover, the recent controversy over federally funded abortions, which sparked thousands of phone calls from Federal employees some of them threatening work stoppages, should sound a warning bell to the dangers of letting wage and benefit issues become the subject of collective bargaining. Were that to happen, not only would the functions of the civil service system be

essentially duplicated, but the law establishing the system would be effectively emasculated.

While some of the provisions of H.R. 9094 may seem to be new, in actuality the bill is based on H.R. 13 which, for the last several Congresses, has been the vehicle for those pushing mandatory Federal employee unionism. Some changes reflect a reconciliation of H.R. 13 with the provisions of H.R. 1589, introduced by my distinguished colleague from Michigan (Mr. Ford), while others reflect House passage of H.R. 3387 (allowing conscientious objectors to contribute to charity instead of paying union dues) and H.R. 8410 (which, among other things, establishes guidelines and procedures for certification elections) but, on the whole, the major arguments against H.R. 9094 are the same as those that have been raised in opposition to H.R. 13.

Basically, the objections to H.R. 13, and hence to H.R. 9094, break down into four major categories: First, infringement of freedom of association; second, compromise of Government sovereignty; third, encouragement of Federal employee strikes; and fourth, the emasculation of current civil service procedures. To my way of thinking, any one of the four should be disqualifying as far as proposed legislation is concerned; the four together should be profound cause for concern.

The first amendment to the Constitution clearly sets forth the premise that people have the right to meet with, and join, whatever group they wish. But, for that premise to have effective meaning, the converse must also apply; that is to say, a person who does not want to join or associate should not be forced to. Fortunately, those two premises seem to be generally accepted throughout the country; the major exception is the leadership of organized labor which is strongly committed to union or agency shop and which wants at least the latter to be extended to Federal employees. These leaders justify their position by arguing that since the law requires them to represent all employees in a bargaining unit, not just those who want to join, all should join or at least pay dues like those who are members.

There is, of course, a certain logic in that position. However, rather than compromise something so fundamental as freedom of association, it would make far more sense to end the requirement that a certified union must represent those employees who prefer not to join it. Unfortunately, however, H.R. 9094 does not do that. Instead, it not only requires that federal employees at least pay dues to a union which is the exclusive bargaining agent but it makes it easier for the union to become that agent. Thus, it is obvious that what Federal employee unions really want is not equity but additional organizing leverage and this bill gives it to them at the expense of those who feel that they can work for Uncle Sam without paying homage or dues to a labor union.

As for the second point, governmental sovereignty, the problem with giving a Federal employees union full collective bargaining rights has two aspects. First

of all, since Government is unique and everyone depends on it for the public services they have paid for through taxes, there are no alternatives in case of a strike by public employees. And second, to allow public employees to negotiate with Government, given the fact they have a monopoly over the deliverance of vital services, grants to them a status granted no other group within society. Put the two together, and public employees become coequal in the decisionmaking process with Government to the extent that they can dictate changes in both personnel policies and tax rates without the public being able to do much about it. Rather than exerting economic pressure, as unions do in the private sector, public employee unions exert political pressure and, with current dependence on public services, that pressure is usually irresistible.

Even after passage of the National Labor Relations Act, which applied union shop to the private sector, this interplay of factors caused President Franklin D. Roosevelt to state:

Collective bargaining, as usually understood, cannot be transplanted into the public service.

He was not the only, or the last, pro-labor figure to feel that way. Even AFL-CIO President George Meany was quoted in the December 4, 1955, issue of the New York Times Magazine as saying:

It is impossible to bargain collectively with the government.

Just to prove that he was not alone in those sentiments, the AFL-CIO Executive Council, in February 1959, endorsed a statement that said, in part—

In terms of accepted collective bargaining procedures, government workers have no right beyond the authority to petition Congress—a right available to every citizen. . . .

Of course, the leadership of the AFL-CIO has changed its tune in recent years, but as the U.S. District Court for the Middle District of North Carolina ruled in September 1975, in a case that challenged North Carolina's ban on public sector collective bargaining:

(T)o the extent that the public sector employees gain power through recognition and collective bargaining, other interest groups with a right to a voice in the running of the government may be left out of vital political decisions. Thus, the granting of collective bargaining rights to public employees involves important matters fundamental to our democratic form of government. The setting of goals and making policy decisions are rights insuring to each citizen. All citizens have the right to associate in groups to advocate their special interests to the government. It is something entirely different to grant any one interest group special status and access to the decisionmaking process.

Proponents of bills like H.R. 13 and H.R. 9094 argue that if public servants were given this "special status" they would be less likely to become discontented, or worse yet, to go on strike. However, past experience indicates just the opposite is true. For example, in Massachusetts, which has permitted collective bargaining for public sector employees since 1965, there were an average of 0.57 public employee strikes per year before the legislation was passed and 5.22 strikes per

year afterwards. In New Jersey, which has had public sector collective bargaining since 1968, there was an average of 3.10 strikes per year before enactment of the legislation as opposed to 18.67 strikes per year later. And in my own State of Illinois there were 1.20 strikes per year by State employees prior to passage of collective bargaining legislation in 1973; since then the average has been 3.00 strikes per year.

In no State has strike activity decreased as a result of public sector collective bargaining legislation and nationally the figures average out to 1.18 strikes per year before such legislation has been enacted as opposed to 4.61 strikes per year after it has gone into effect. Moreover, there is absolutely no reason to assume that the same trends would not hold true for Federal employees if H.R. 9094 were to pass—5 U.S.C. 7311 (the prohibition against Federal employee strikes) and 18 U.S.C. 1918 (the penalty for striking) notwithstanding.

Perhaps the biggest irony involved in the push for mandatory collective bargaining and agency shop for Federal employees comes at a time when evidence is growing that Federal employees have never had it so good—especially in comparison to their counterparts in the private sector. In a statement before the Civil Service Subcommittee of the House Post Office and Civil Service Committee, our distinguished colleague from Virginia (Mr. ROBINSON) gave some statistics showing that in Virginia, the average salary of private sector workers was \$9,048 in early 1976 while the average salary of Federal employees throughout the United States was \$14,875. While those figures are not conclusive, there has been enough speculation that Federal pay was outstripping private sector pay to prompt the Compensation and Employee Benefits Subcommittee of the House Post Office and Civil Service Committee to hold field hearings on the issue. Those hearings have just been completed and it is possible that, as a result of them, the subcommittee may mark up remedial legislation.

Three additional points need to be made relative to this question of the Federal employee and his job. The first is that, contrary to what some people would have us believe, working for the Federal Government is a privilege not a right. No one is forcing a Federal employee to accept these generous wage scales, and from all appearances easier than average working conditions with better than average benefits. In fact, and this is the second point, one can only wonder, given all the advantages that have accrued to public employees under the Civil Service System, if very many of those employees would really want us to subordinate that system to one based on mandatory collective bargaining and agency shop. Finally, one should not overlook the implications for the future of representative government if this type of legislation is passed. Instead of recognizing from the outset an obligation to serve those who pay their salaries through taxes, employee loyalty will be forcibly divided between the public on the one hand and some union on

the other. We need only look at the nationwide firemen's strike currently going on in Great Britain to see what happens when that loyalty is divided: the public is the loser.

While any final decision on legislation such as H.R. 9094 should be made on its merits, and after consideration of the foregoing arguments, it is significant to note that just last March the Roper Organization did a nationwide poll of public attitudes toward the forced unionization of public employees. The results showed not only that 55 percent of all union members polled feel that public employees should not be forced to support a union, but 69 percent of the American people disagree with the mandatory agency shop concept contained in H.R. 9094. Equally significant was the vote last May in the House of Representatives where, during the debate over the Hatch Act, an amendment was passed—by a convincing 259 to 144 margin—protecting the right of a Federal employee not to join, or be forced to support, an organization that advocates or encourages political activities. As opponents to the amendment made clear, the effect of this amendment, which survived final passage of the Hatch Act bill in the House, would have been to guarantee that Federal employees not be forced to join, or support a union.

One would hope, of course, that Congress would see fit to follow through on the logic not only of that vote but also the vote on H.R. 3387. If it is inappropriate to force an employee to support an organization because it may engage in political activities or because so doing would violate one's religious beliefs, then it stands to reason that Federal employees who are opposed to joining or supporting a union as a matter of philosophy, or because they do not believe it to be effective, or because they do not think it worth the money, should not have to do so. Why discriminate between Federal employees; why not let them continue the current practice of supporting, or not supporting, a union as they see fit? That is the fairest for all concerned.

Which brings me to a final point. In opposing H.R. 9094, no one is saying a Federal employee should not be allowed to join a union. That is a constitutional right that few would argue. But, just as an employee should be assured of being able to join, so, too, should he or she be assured that he or she will not be forced to join, or support, or in any other way become involved. Also, neither should the rights of other Americans be infringed upon by allowing public servants to be able, through the combination of forced unionism and collective bargaining, to affect public policy in a way they themselves cannot. Instead, if we are going to pass a law in the area of Federal employee relations, the type of legislation to pass is that which would do two things: First, guarantee all Federal employees the right to associate, or not associate, with a labor union without having that decision affect their job; and second, to deny to all Federal employees the right to strike. The practical effect of such a bill would be to give Executive Order 11491 the force of law and to re-

inforce the provisions of 5 U.S.C. 7311.

Mr. Speaker, for the last two Congresses, I have sponsored just such a bill. In the 95th Congress, it goes by the number H.R. 3487 and, unless we want to follow in the footsteps of the British, it is a measure whose time has come.

PANAMA: ILLUSIONS AND REALITIES

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. FRASER. Mr. Speaker, Ambassador David H. Popper, Special Coordinator for Panama Canal Treaty Affairs in the Department of State recently addressed the Ocean Policy Forum on the subject of the Panama Canal treaties. These treaties have generated a good deal of controversy. In his address Ambassador Popper has identified and dispelled several misperceptions of the effects of the treaties on the United States and Panama that have clouded public debate in recent months. He sets forth reasons why the ratification of these treaties is so important to United States-Latin American relations. I concur with his analysis and commend Ambassador Popper's statement to you for careful consideration:

PANAMA: SOME ILLUSIONS AND REALITY

In addressing an informed audience such as this, I thought it might be useful to open our discussion by setting out a few propositions of interest to knowledgeable persons in the fields of law and public policy.

I do so because it seems to me that in the course of the emotional public debate on the Panama Canal Treaties we are in danger of enshrining some illusions and losing sight of some hard facts.

The illusions—or, better stated, the misperceptions—are by now familiar to you.

It is said that we bought the Canal or the Canal Zone, we paid for it, it's ours, and we should keep it.

It is said that by preparing to terminate our military establishment in Panama we are impairing the security of the Canal.

It is said that we are giving away the Canal, and what is more, are paying the Panamanians to take it.

It is said that we should not make agreements with a dictator like General Omar Torrijos, either because he's too friendly with Communists or because human rights are massively violated in Panama.

And it is said that by removing our presence from Panama, after all that has happened elsewhere previously, we will be fatally weakening our position throughout the world.

As you can imagine, we in the Executive Branch of the Government would dispute each of these propositions.

Our country's entitlement for what we have done in the Panama Canal Zone stems from the Hay-Bunau-Varilla Treaty of 1903. That Treaty did not give us sovereignty. It gave us sweeping jurisdictional rights, as if we were sovereign. We have ever since been paying Panama for these rights—though very inadequately.

In this sense, Panama is the titular sovereign in the Canal Zone. Our payment for the use of the Zone is not to be compared with our purchase price for Louisiana or Alaska.

So it's a misperception to say that we "own" the Canal in the sense that we are sovereign there.

When Theodore Roosevelt proclaimed, "I took the Isthmus, started the Canal, and then left Congress not to debate the Canal, but to debate me", he was right on his facts. But in spite of the 1903 Treaty's statement that we enjoy the rights he acquired "in perpetuity", our status is far from clear. His Secretary of State, John Hay, put the matter delicately when he described the Treaty as "vastly advantageous to the United States, and we must confess, with what face we can muster, not so advantageous to Panama."

Ours is at the least a clouded title. The 1903 Treaty was signed in Washington under circumstances which some believe come very close to duress. It was signed by a Frenchman basically interested in compensating the near-defunct French Canal enterprise. No Panamanian saw the text before he signed it. He himself had not been in Panama for 18 years and never returned there. And I will not refer to our dubious role in the creation of the new state of Panama, which had very little choice regarding ratification.

I do not condemn our officials for acting as they did. We needed full control to provide the range of services and activities which made it possible to hew a great Canal out of the tropical jungle. Such tactics were not unusual in an age of colonial expansionism.

But in the currency of our own times, our present status in the Canal Zone is difficult to defend. Whatever the 1903 Treaty says, how can you justify on its merits the permanent perpetuation of what amounts to a foreign-dominated enclave cutting another country in two, against the latter's will? We would not stand for it in the United States.

In doing a bit of research on the Panama Canal problem I ran across an interesting precedent for changing the Treaty arrangements. In 1850, at a time when British capabilities in Central America were much greater than ours, the United States and the United Kingdom agreed in the Clayton-Bulwer Treaty that neither would ever obtain or maintain for itself any exclusive control over a trans-isthmian ship Canal or would ever erect or maintain fortifications nearby, or occupy, fortify, colonize, or assume or exercise any dominion over any part of Central America.

That seemed to be a good deal for us at the time, but thirty years later the situation had changed. In 1881 Secretary of State James Blaine, interestingly enough, argued for a change, on the ground that the Clayton-Bulwer Treaty had been concluded over thirty years earlier, under exceptional and extraordinary circumstances which had entirely ceased to exist. Note that we were the party seeking to change a Treaty at that time.

We did not of course abrogate the Clayton-Bulwer Treaty unilaterally, just as the Government of Panama has not formally denounced or sought to abrogate the 1903 Treaty. Instead, in order to align our needs with the circumstances of the time, we concluded the Hay-Pauncefote Treaty with the British in 1901. This Treaty released us from the restrictions of the Clayton-Bulwer Treaty and permitted us to assume the sort of physical control over the Canal areas which, as I have said, we needed for the task of constructing the Canal.

Today, seventy-five years later, an outmoded agreement is again being replaced through negotiations conducted on a footing of equality. When ratified, the new Treaties will modernize our role in Panama; end the anachronism and the anomaly of an American presence bisecting an independent foreign nation against its will; and remove a serious impediment to harmonious hemisphere relations and to our standing as a leader in support of the freedom and independence of nations throughout the world.

So it is at the least a vast oversimplification that we paid for and own the Canal

Zone, and that we shouldn't give it away. In all equity, there are compelling reasons for a change.

The second misperception is that we're impairing the security of the Canal by getting out.

This ignores the fact that under the new Treaties a United States Government agency will operate the Canal until the year 2000. It falls to note that we will retain our armed forces and all the facilities we have considered necessary for them during the same period. Under the basic Panama Treaty, we have primary responsibility for the defense of the Canal for the rest of the century.

Nor will we prejudice the security of the Canal when we withdraw. For under the Permanent Neutrality Treaty, we will be entitled indefinitely to take the necessary action to defend the Canal against any aggression or threat to its security. And our war vessels can pass through the Canal at the head of the line in case of need.

It is no paradox to assert that the Canal will be much more secure—much better safeguarded—under the proposed new Treaties than it is at present, despite our eventual withdrawal.

The reason is that our basic interest is not centered on the occupation or real estate. Our interest lies, rather, in ensuring that the Canal is always open to our ships, in peace and war. The Canal is an artery. Like a super-highway, its availability for uninterrupted use, not its ownership, is the critical factor.

Under the new Treaties, Panama is inevitably associated with us in the Canal enterprise. Panama will have an increasing stake in the successful operation of the Canal. More than ever, it will provide Panama with much of its economic sustenance.

The prospects for an open, neutral and secure Canal are far better if we join in partnership with a friendly Government and people of Panama in operating the Canal, than if the Canal Zone is surrounded by an increasingly frustrated and exasperated populace egged on to violence by our adversaries inside and outside the country.

Our Joint Chiefs of Staff do not relish that prospect. They can defend the Canal against a major attack, it is true, though it might on their own estimate take up to 100,000 men to do so in the tropical jungles of Panama.

But the Canal is open to easy sabotage. There is no wall-to-wall defense that can prevent the Canal from being put out of action for weeks or months by a few skillful handlers of small quantities of explosives.

Over the long haul, therefore, the best defense for the Canal is a satisfied Panama, committed in its own interest to the maintenance of Canal traffic. In such circumstances guerrillas and saboteurs will have a hard time—and there will be far less incentive for their activity.

A third misperception is that we—the United States—are paying the Panamanians to take the Canal away from us.

Not so. Under the new Treaties, Panama will for the first time receive an adequate return for the use of its greatest national resource, its strategically located territory. That return, however, will come from increased Canal tolls and not from U.S. Government appropriations.

Further, the economic assistance measures we will extend to Panama, outside the Treaty framework, will consist entirely of loans, credits and guarantees. There will be no grants. We are aiding Panama in this way in order to strengthen the special relationship being created between us. The assistance we render will help to create a more advanced Panamanian economy and a more mature and stable country.

The amounts involved, incidentally, do not approach those of the loans and grants we are making available to each of a number of other countries where we have or are seek-

ing foreign base rights—Spain, Greece and Turkey, for example.

A fourth fallacy runs to the effect that we can't deal with Panama because: (a) General Torrijos is a dictator; (b) he is under communist influence; or (c) human rights are violated in Panama.

For us to make agreements advancing our national interests only with democratically elected rulers would be an absurdity.

Panama is an authoritarian state, and its human rights practices are not ours. But it is not today a country of massive human rights violations. It is not a country with political prisoners. Officially sanctioned torture is not reported. Political "disappearances" do not occur. Judicial processes are not disregarded.

While political parties are formally barred, there are local elections; there is a parliament; virtually all the highest government officials apart from General Torrijos are civilians. Observers have confirmed that there was a full and fair debate on the Panama Treaties prior to the October 23 plebiscite. And General Torrijos, having asked the United Nations to send observers for the plebiscite, has also asked the Inter-American Human Rights Commission to visit and study the human rights situation in his country. These are not the actions of a country with skeletons to hide.

Let me say a further word about the communism factor. There are a few hundred communists in Panama, and more windy Leftist and radical third-world rhetoricians. There is also a private enterprise economy which until the recent world recession was thriving; and Panama is a center for some 80 foreign bank branches.

Actually, communist influence is not predominant in Panama. There is no Soviet Embassy there—only a TASS news office. On the economic side there is nothing remotely resembling the major, and guaranteed, market which the Soviet Union provides for our grain. And the Cuban Embassy is kept in line.

In another perspective, the claim is made that what is termed an American withdrawal from the Canal will create a power vacuum inviting communist penetration. On the contrary—if we persist in our present position, an explosive situation will surely be created in Panama. Such a situation is the ideal spawning ground for extremism and violence.

Under Article V of the Neutrality Treaty, by the way, Panama agrees that after the year 2000, when our troops withdraw, only Panama may operate the Canal and maintain defense sites and military installations within its national territory.

My crystal ball is not good enough to know what kind of a government Panama will have in the year 2000, when we would withdraw. But I am certain that the best protection we can build against a communist danger is to make Panama whole; to restore its national dignity, self-respect and independence; and to strengthen its involvement in the operation and functioning of the Canal.

And this is the course which will best protect our interests in the Western Hemisphere. The Canal issue has been a festering irritant in our relations in the Americas. Its removal will not end our problems there. But it will make it easier to strengthen our relations, on a sound basis of equality and respect for the national independence of all states. Each of our last six Presidents has recognized this point.

Permit me a final word. In a statement to a group particularly concerned with oceans law and policy, it is perhaps appropriate to stress one or two of the less frequently discussed aspects of the new Panama Canal Treaties.

First, the provisions of the Treaties relating to maritime traffic seem to me to be in the best tradition of international maritime law.

Under Article II of the Permanent Neutrality Treaty, the Republic of Panama (as the territorial sovereign) "declares the neutrality of the Canal in order that both in time of peace and in time of war it shall remain secure and open to peaceful transit by the vessels of all nations on terms of entire equality, so that there will be no discrimination against any nation, or its citizens or subjects, concerning the conditions or charges of transit, or for any other reason . . ."

This is the keystone of the "regime of neutrality" which the United States and the Republic of Panama, under Article IV of the Permanent Neutrality Treaty, have agreed to maintain. Other provisions of the regime of neutrality ensure that vessels transiting the Canal will comply with applicable safety, sanitary and other regulations, and that they commit no acts of hostility while in the Canal. While there is no exact analogy to "innocent passage", the regime of neutrality laid down in the Treaty appears to be generally akin to that standard.

If I understand the situation correctly, this approach is fully in tune with the arrangements the United States and other maritime powers have been seeking to establish in connection with the regime of international straits at the United Nations Law of the Sea Conference and in other ways.

The principle of non-discrimination is also involved in the Treaty commitment (Article II of the Neutrality Treaty) to keep the Canal open and secure for peaceful transit "both in time of peace and in time of war." This is a more specific provision than that which exists in the 1903 Treaty. It has been attacked because, on its face, it appears to permit the passage of vessels of an enemy of the United States through the Canal during hostilities. Why, it is asked, should we create such a sanctuary for an enemy?

The short answer, of course, is that we rely on the U.S. Navy to deal with hostile men of war on the high seas, especially in areas as close to our home shores as the waters surrounding the Isthmus. I believe I am correct in stating that during two world wars, no enemy ship of war—or even merchant vessel—attempted to transit the Canal. The enemy obviously considered such a venture foolhardy. Our Naval authorities are confident today that no enemy vessel could reach the Canal undetected, and it surely could not expect security once it had left Canal waters.

In this connection, it is interesting to note the precise limits of the protected area subject to the guarantees of passage contained in the Neutrality Treaty. The Annex to that Treaty defines the word "Canal" as including the existing Panama Canal, the entrance thereto and the territorial seas of the Republic of Panama adjacent thereto, as defined on an annexed map. The map, as published, makes it clear that the maritime areas concerned, at each end of the Canal, extend approximately three miles from the Canal entrances. Ships outside that area on the high seas would be subject to the normal disabilities of that status. This would seem to be a relatively favorable arrangement from the American defense standpoint.

Finally, you will also recall that Panama and the United States have negotiated a Protocol to the Panama Neutrality Treaty, under which acceding states acknowledge the regime of neutrality and associate themselves with its objectives, and also agree to observe and respect that regime in time of war as in time of peace and to ensure that vessels of their registry observe the applicable rules.

The Protocol reminds us that the Panama Canal settlement strongly concerns other states in the Hemisphere, and beyond that, the major maritime nations everywhere. Like the United States and Panama, they

too have an interest in the maintenance of a neutral, secure and open Canal. We would hope that after the Panama Treaties have been ratified, the regime of neutrality will be strengthened by numerous accessions on the part of states from every area of the world.

To conclude, I would stress four simple propositions:

1. The new Treaties will better assure for us continued access to the Canal;
2. They will advance our capability to keep the Canal open and to defend it;
3. They will improve our position throughout Latin America, and in important respects throughout the world;
4. Their ratification would be the kind of step a leader of the free nations and free peoples of the world ought to take.

As the American public comes to understand these points, it will, I believe, support the new Treaties. Their ratification will be properly viewed as a contribution to our highest national interest. And I would hope that the members of this organization would exert their efforts to that end.

THE 10TH ANNIVERSARY OF CETDS

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. RODINO. Mr. Speaker, this past week in my district, we celebrated the 10th anniversary of a very special public service group. For over a decade, Newark's Comprehensive Employment and Training Delivery System (CETDS) has represented an exceptionally high level of dedication, sensitivity, and professionalism as one of Newark's major programs for jobs and job training.

Approximately 20,000 persons have been placed in jobs with more than 500 firms—large and small—in Newark and throughout the metropolitan area. The wages earned by these workers have put tens of millions of dollars into the economy.

This program began as part of the manpower programs developed by President Lyndon Johnson's administration in 1967 to ease urban unemployment. In that year, Arthur Jones of the Office of Economic Opportunity and Jack Hurley of the Labor Department were sent by the Federal Government to establish Newark's concentrated employment program (CEP) which eventually became TEAM (Total Employment and Manpower, Inc.). This "demonstration project," designed to last 1 year only, was run so successfully, it continued every year since then and today is known as CETDS. The program has grown to provide Newark's first full service manpower program, with recruitment, counseling, job referral, job training, job development, medical, and other supportive services all available within the same agency. It reached out to the industrial world of the Greater Newark area to provide jobs for unemployed urban dwellers.

One of the most significant factors in the development of this manpower organization was the assistance it received from Newark's Mayor Kenneth Gibson. Recognized as one of the most effective public servants in the Nation, Mayor Gibson has helped to bring millions of

dollars into the city to revitalize its economic loss. Ken Gibson established the Mayor's Office of Manpower, whose director, Mr. Harry Wheeler, has proven to be a forceful voice for the city.

CETDS remains one of the first organizations in the Nation to have initiated joint sponsorship of manpower programs between the municipal government and a community action group. There are many other "firsts" for this organization, but they are too numerous to list here. I will only say that the program continues with more resources than ever to help Newark's unemployed find work. It has intake centers in each of the five wards of the city and a drug rehabilitation center in the Roseville area. It will service 5,000 people in 1978 alone, and 2,000 unemployed urban dwellers will obtain work this year because of CETDS. After 10 years, I am honored to salute the performance of CETDS as an example of community self-help of which our Nation can be proud.

THE PRESIDENT, CONGRESS, AND FOREIGN POLICY

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. LAGOMARSINO. Mr. Speaker, much more attention needs to be given to consultation between the President and Congress, so that a high level of effectiveness in international affairs can be established. Henry Huglin, a retired Air Force brigadier general and syndicated columnist on national security and international affairs, develops this topic:

THE PRESIDENT, CONGRESS, AND FOREIGN POLICY

(By Henry Huglin)

An on-going handicap in our nation's foreign policy is that the President and Congress often are not working in coordination and harmony in this vital and complex field.

President Carter—as was President Ford before him—is being overly-curbed and "Monday-morning-quarterbacked" in his constitutional responsibility and prerogative to conduct our foreign relations.

A principal reason is that recently the pendulum of power balance in our government in foreign policy has been swung too far toward Congress—in over-reaction to the perceived excesses of Presidents Johnson and Nixon, as well as the flexing of egos on the part of some members of Congress.

And President Carter still has a long way to go to reestablish effectively the necessary predominant presidential role in formulating and carrying out our nation's foreign affairs. His working relations with Congress in this field are not as good as they should be. And he has not acquired sufficient prestige or gained enough confidence of the public to exert a sometimes necessary overriding influence with Congress on these matters.

Of course, with the set up of checks and balances in the Constitution, the Congress has specific authority in foreign affairs—mainly through appropriations and the Senate's having to ratify treaties. But the role of formulating foreign policy and conducting it clearly rests with the President.

Yet, the system only works well when the President and his advisers in this field work closely with the key members of Congress throughout the process of developing and

executing foreign policy—and when the key members of Congress curb their ambitions for exaggerating Congress' or their personal role.

The President, Secretary of State, and the Ambassadors need the support of Congress for them to have proper effectiveness abroad. When leaders of other nations doubt that a President's commitments will be backed up by Congress, they are simply wary of negotiating sound agreements; and our interests are thereby hurt.

A major source of trouble is that Congress is a body of amorphous responsibility, being accountable collectively to no constituency. Hence, there is great opportunity for excessive, even irresponsible, action by Congress—in giving in to the pressures of a few activist members, or the special narrow-interest groups, or just emotions of the moment. Therefore, it is important that the President and Secretary of State work closely with Congressional leaders to avoid such Congressional action and, when it nevertheless is taken, for the President to use his veto.

Another major source of trouble lies in the proclivity of some members of Congress to try to inflict on the country their neo-isolationist or wishful-thinking, ivory-tower perspectives of the world and our role in it—by demagoguery, obstruction, or even arrogating to themselves the disclosure of highly secret and sensitive information.

Yet, Congress should certainly not be a rubber stamp for Presidential foreign affairs policies and actions. All the ideas that come out of the Executive Branch are not wholly sound, wise, or well thought out. So, the need is strong for consultation, exchange of ideas, and conciliation of divergent viewpoints, which can often produce better results than otherwise—if done objectively.

Further, the possible opposition of Congress to a treaty or a security, trade, or aid agreement being negotiated with another country is sometimes used effectively as a lever by the President and his diplomatic agents to get concessions in negotiations and in actions, such as moderating violations of human rights.

Still, the members of Congress now need to practice the same restraint that they have insisted the President practice. The Congressional ego-trippers and demagogues who try to make political hay by exploiting foreign policy issues need to be put down by their colleagues.

Another need is for a broad view and long-term perspective on the part of the leadership of the Senate and House. Yet, this takes long exposure and experience in the field, which seems now to be lacking among the present leaders.

So, careful informing and consulting with Congress by the President and his foreign policy advisers is a particularly important on-going need.

The problem can be remedied only by the President's and Congressional leaders' improved mutual understanding, consultation—and statesmanship.

But, until Congress shapes itself up and the President exerts a defer hand, our effectiveness in international affairs is going to suffer.

NICK SANTORO, AN OUTSTANDING CITIZEN

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. YATRON. Mr. Speaker, we all know how thousands of America's youths have grown up idolizing a star athlete.

Lou Gehrig, Micky Mantle, Willie Mays, John Unitas, Joe Namath, Gale Sayers, Joe Louis, Muhammad Ali—all of these outstanding American athletes, as well as many others, have served as examples of courage, spirit, and determination to young people across the country and around the world.

Another great American, an outstanding Pennsylvanian, has played this same important role in the lives of hundreds of Pennsylvania youngsters. Nick Santoro of Reading, Pa., has provided inspiration and guidance to many people, as a boxer, a coach, and a friend. For 37 of his 73 years, Nick has served on the Pennsylvania State Athletic Commission and presently is chief deputy commissioner. In the course of his 55 years in boxing, he has gained the admiration and friendship of many. A man of deep religious conviction and a devoted father, he has used the sport of boxing to help develop his students, molding them after his own image of tough competitiveness mixed with a humanitarian concern for his fellowman.

As a former professional boxer, I know the value of a true mentor: one who can lead and motivate both in and out of the ring. Nick has been that kind of mentor for thousands of Pennsylvanians. His contributions are legion and more than merit this recognition by the U.S. Congress.

HOUSE MUST VOTE ON PANAMA TREATIES

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. HANSEN. Mr. Speaker, the question of the proposed Panama Canal Treaties has provided highly emotional controversy during the past month as well as the promise of even more during the months ahead.

I for one am strongly opposed to relinquishing U.S. control of the canal and Canal Zone. However, there is an even more overriding issue present. The prerogatives and responsibilities of the House of Representatives are also at stake.

On August 4, 1977, I introduced House Concurrent Resolution No. 328. I again introduced my resolution in modified form, House Concurrent Resolution No. 347, on September 9, 1977. To date, this resolution has been reintroduced seven times with 25 cosponsors each and expresses the sense of the Congress that both Houses must act with regard to the disposition by the United States of any right to, title to, or interest in the Panama Canal Zone or any real property located therein.

Mr. Speaker, my resolution calls for one thing—a chance to vote yes or no. This is a constitutional issue and not one of partisan politics. It is our duty under article 4 as the elected representatives of the people to assure that their voice is heard. The Constitution calls for it—we must assert ourselves and demand it. Our stand must be perfectly clear to the

President and all of America—we will not abide by back door loans and grants to Panama made without our consent and outside the authorization and appropriations processes of the Congress.

I strongly urge every Member who has not already done so to cosponsor my resolution. Ours is a Republic with built-in checks and balances and a democracy based on free expression of the will of the majority. If the proposed treaties are good, they will stand the review; if they are so bad that they cannot withstand our scrutiny, then they should not even be considered by this government at all.

All of us will and should be held accountable for allowing the President to usurp our constitutional authority over this matter at the polls next year if we fail to act now.

Public sentiment throughout the Nation has been extremely negative concerning the proposed Panama Canal Treaties and my office is no exception. Mail has been running heavily in favor of retaining U.S. rights in the Panama Canal Zone.

I sincerely feel that it is in the public's best interest on any final decision that we assert our constitutional authority and bring this question before the House as well as the Senate.

Mr. Speaker, I submit for the RECORD a list of those 160 Members who are already cosponsoring my resolution representing 44 States of the Union:

COSPONSORS OF H. CON. RES. 328

Total: 160—Hansen (ID), Kemp (NY), Kindness (OH), Ketchum (CA), Crane (IL), Dornan (CA), Zefteretti (NY), Edwards (OK), Flood (PA), Stump (AZ), Symms (ID), Livingston (LA), Goldwater (CA), Marriott (UT), Evans (DE), McDonald (GA), Abdnor (SD), Duncan (TN), Quayle (IN), Snyder (KT), Collins (TX), Winn (KS), Schulze (OH), Rinaldo (NJ), Rousselot (CA), Ashbrook (OH), Holt (MD), Bauman (MD), Lott (MS), Lagomarsino (CA), Clawson (CA), Smith (NE), Lujan (NM), Waggonner (LA), Ichord (MO), White (TX), Shuster (PA), Latta (OH), Rudd (AZ), Myers (IN), Grassley (IA), Hillis (IN), Young (FL), Hagedorn (MN), Montgomery (MS), Thone (NE), Guyer (OH), Sawyer (MI), Devine (OH), Hammer-schmidt (AR), Burgener (CA), Taylor (MO), Broyhill (NC), Nichols (AL), Moorhead (CA), Burlison (TX), Pressler (SD), Sebelius (KS), R. Daniel (VA), Jones (NC), Hall (TX), Dan Daniel (VA), Vander Jagt (MI), Robinson (VA), McDade (PA), Brown (OH), Martin (NC), Emery (ME), Badham (CA), Jeffords (VT), Walker (PA), Cunningham (WA), Roe (NJ), Marlenee (MT), Mottl (OH), Mitchell (NY), Conable (NY), Quile (MN), Leach (IA), Miller (OH), Stockman (MI), Hyde (IL), Murphy (NY), Corcoran (IL), Frey (FL), Armstrong (CO), Skubitz (KS), Heckler (MA), Pritchard (WA), Edwards (AL), Wampler (VA), Gilman (NY), Dickinson (AL), Young (AK), Cleveland (NH), Pettis (CA), Butler (VA), Lent (NY), Frenzel (MN), Kelly (FL), McEwen (NY), Bob Wilson (CA), Moore (LA), Madigan (IL), Stangeland (MN), Tribble (VA), Spence (SC), Gaydos (PA), Carter (KY), Bafalis (FL), Walsh (NY), Wylie (OH), Whitehurst (VA), Brown (MI), Regula (OH), Beard (TN), Wiggins (CA), Harsha (OH), Mollohan (WVA), Stratton (NY), Fish (NY), Horton (NY), Runnels (NM), Davis (SC), Byron (MD), Flowers (AL), Chappell (FL), Hubbard (KY), Kasten (WI), Satterfield (VA), Breaux (LA), Flynt (GA), Caputo (NY), Volkmer (MO), Lloyd (CA), Quillen (TN), Mathis (GA), Lloyd (TN), Risenhoover (OK), Watkins (OK),

Cohen (ME), Huckaby (LA), Ireland (FL), Young (MO), English (OK), Rhodes (AZ), Treen (LA), Alexander (AR), Bevill (AL), Evans (GA), Sikes (FL), Burke (FL), Gradi-son (OH), Biaggi (NY), Anderson (CA), Bowen (MS), Andrews (ND), Applegate (OH), Leggett (CA), Barnard (GA).

Additionally, Mr. Speaker, I submit for the RECORD the November 15, 1977 results of a poll of the Members of the House of Representatives conducted by the American Conservative Union concerning the Panama Canal which are very informative:

MAJORITY OF CONGRESSMEN WHO RESPOND TO POLL OPPOSE PANAMA CANAL TREATIES BY MORE THAN 2-TO-1

WASHINGTON, D.C.—Rep. Philip M. Crane, Chairman of the American Conservative Union, announced the results of an ACU poll of members of the House of Representatives that shows the majority of those who took a position, oppose the Canal treaties by more than 2-to-1. In addition, Congressmen who responded also believed by a margin of over 4-to-1 that the House should vote on the transfer of property involved in the Panama Canal treaties. This is the first poll taken of the House on this issue since the treaties were announced.

The breakdown of the representatives responses when asked their position on the proposed treaties is as follows: In Favor of ratification, 66; Leaning in Favor 14; Against ratification, 160; Leaning Against, 30; undecided, 149; and those who had no comment or response totaled 16. Out of the 269 members who took a position, those in favor or leaning in favor of ratification numbered 80 or 29.4 percent and those against or leaning against, totaled 190, or 70.6 percent—more than 2-to-1 against. Out of the entire House membership, 18.4 percent are in favor or leaning in favor of the treaties, 48.7 percent are against or leaning against, and 37.9 percent are undecided, or had no comment or no available response.

Responses to the question of whether or not the House should vote on the disposition of property as required by the Constitution shows 187 in favor of a House vote; 7 leaning in favor, 29 against, 12 leaning against, 184 undecided, and 17 had no comment or no available response. Of those who took a position, 194, or 83.1 percent were in favor of a House vote or leaning in favor, and 41 or 17.5 percent were against or leaning against—more than 4-to-1 in favor of a House vote on the treaties. If the entire House membership is taken into account, 44.6 percent are in favor of a House vote or leaning in favor, 9.4 percent are against or leaning against, and 46.0 percent are undecided or had no comment or no available response.

"Given the realistic possibility that the House may vote on the proposed treaties," Crane said, "the ACU believed it was extremely important that the House of Representatives, the peoples' body, be polled to determine its members' positions on these two key questions."

"The poll clearly reveals that sentiment in the House, as in the nation, is overwhelmingly against the treaties and that the House should definitely have a voice in deciding whether or not the treaties should be approved."

"The relatively large number of undecideds, most of them Democrats, demonstrates President Carter's failure to gain any significant support from members of his own party for the treaties."

"It is no wonder President Carter wants to avoid a vote on the treaties in the House at all costs. This poll is a clear indication that the House would most likely vote a resounding no against the Panama Canal treaties," Crane concluded.

WESTCHESTER COUNTY, N.Y., MOVE TO PUBLIC POWER

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. OTTINGER. Mr. Speaker, one of the problems facing people all across the Nation is high energy costs, particularly for electric energy.

Unfortunately for my area, we are served by Con Edison and they charge the highest electric rates of any major utility in the civilized world.

As a result of this, we have been looking into the feasibility of setting up a public utility for Westchester County, one which could purchase power from public and private sources, and provide much more reasonable rates than Westchester residents now pay to Con Ed. Such an entity also could serve commercial and industrial establishments, and would help enable them to stay—or move into—the metropolitan New York area.

Earlier this week I presented testimony to the Westchester County Legislature and sent a memorandum to the legislators detailing how a public utility could provide cheaper power to Westchester. Since I am aware that many areas of the country are entertaining similar action, I would like to share these materials with my colleagues:

STATEMENT OF HONORABLE RICHARD L. OTTINGER BEFORE THE WESTCHESTER COUNTY LEGISLATURE, DECEMBER 12, 1977

I strongly support the County Executive's proposal for a \$200,000 budget appropriation for the purpose of completing the reports on steps needed to establish a county utility agency to replace Con Edison and to strongly urge the Legislature to accept it. I also urge you to approve a resolution for the agency and put the matter before the voters.

The Beck report, which was made public last week, is a fine beginning, and indicates that further study is needed to determine which Con Ed facilities to acquire, how to run a county utility and what the estimated costs would be.

I share the view that the engineering report confirms what I have believed for more than two years—that it is feasible for the County to provide power to Westchester users at a cost likely to be substantially lower than the cost of power presently supplied by Con Ed.

The Beck report deals primarily with technical and engineering matters in reaching its cost conclusions; it does not explain in detail the other cost savings which could be achieved by a public power agency in the County which could be even more substantial than the power savings mentioned from purchase of PASNY power. Let me mention a few of these.

A public power agency would not have to make a profit, nor would it have to pay dividends.

A public power agency would be able to borrow money at substantially lower rates than can a profit-making utility such as Con Edison.

Salaries in government agencies are invariably a good deal lower than in the private sector; indeed, we could save \$200,000 a year plus lucrative stock options simply by not paying the salary of Con Ed board chairman, Charles Luce.

It would pass along any savings directly to customers.

A county entity buying power could do so not only from the State's Power Authority but competitively from any other source in the region (and there are many) much more cheaply than is now obtained from Con Ed's expensive power plants.

A public entity would not have the incentive to build expensive new power plants—and add them to the rate base for the consumers to pay for—but could seek to save money by conserving, as well as buying cheap, power.

Seattle, Washington, through its City Council which runs its utility, decided earlier this year not to invest around \$100 million as a share in a nuclear power plant, but opted instead for intensive conservation strategies as a cheaper way of providing for the electric power needs of the people of Seattle.

Although the Beck report indicates that the cheapest power available in the region is Power Authority power—and that there is good reason to assume that we should be able to obtain a fair share of that power—it is also clear that we can purchase power elsewhere at rates substantially lower than Con Ed's. (Industrial rates in the Con Ed Service area are currently about two and a half times what they are in the Niagara Mohawk service area, for example.)

Moreover, there is a substantial quantity of power that should be available for purchase, not only in the near term, but at least through 1996. The Federal Energy Regulatory Commission released its Bulk Power Load and Supply Projections for 1987-1996 on December 1st, and confirms my assertion. Keeping in mind that the required reserve margin to meet reliability criteria is considered to be 18 per cent, the lowest reserve margin for the period considered for the Northeast Power Coordinating Council is 21.50 per cent, while the FERC estimates that in 1996 the margin will be 25.01 per cent.

If these projections are correct, there will be plenty of power available for Westchester County from sources other than the Power Authority. A mix of PASNY power and power produced by private utilities throughout the Northeast would still reduce our rates considerably.

The Beck report itself confirms that substantial savings would result from different mixes of purchased power. Were the County to buy only Power Authority power it could achieve a 37.9 per cent savings; a mix of PASNY and other purchased power would range from 9.1 per cent up to 14.1 per cent savings; power bought only from the utilities in New England would lead to a 6.6 per cent savings. And those estimates are based on the more conservative, \$550 million acquisition cost, rather than the \$300 million cost, which would result in even greater savings.

With regard to the availability of PASNY power, it should be noted that Federal law and the Federal Power Commission license for the Power Authority's Niagara Power Project require that 50 per cent be made available to preference customers, mentioning explicitly "public bodies and nonprofit cooperatives."

According to a report filed with the Federal Power Commission last February, requested as a result of the Congressional hearings in September, 1976, the Power Authority is selling 467,100 kilowatts of power to preference customers from its Niagara plant, and plans to allocate an additional 35,000 kilowatts to intrastate and out-of-state preference customers.

The total commitment, present and planned, is thus only 502,100 kilowatts, out of a total generating capacity of at least 2,277,550 kilowatts. That amounts to less than 25 per cent of power going to the public bodies and nonprofit cooperatives, and provides assurance that roughly half a million kilowatts should be available for such entities, including one to be set up in Westchester.

I believe that we should move rapidly in pursuing the required information through the legal and engineering consultants so that establishment of the Westchester Energy Resources Commission can be on the ballot for consideration by the voters in November, and I urge you to work toward that goal.

The supplemental legal and engineering reports should be, in my view, completed by next July. Following this I would recommend that the County conduct a series of public informational hearings to explain the proposal to the public and receive public input, and to finalize proposals for a county-wide referendum next November.

The Tocci resolution introduced last spring contains the basic language to create the needed commission, and lacks only the required estimated cost of acquisition of Con Edison properties and of operation. This should be obtained by the engineers, and made available in their supplemental report.

I am convinced that the time is ripe to provide the voters of Westchester an opportunity to help us decide the issue of whether and how to replace Con Edison.

In closing, let me quote from testimony provided earlier this year by the American Public Power Association:

"There are a number of reasons for the lower rates of municipal electric systems. Local consumer owned electric systems, publicly or cooperatively owned, are nonprofit institutions. Therefore, there are no dividends to pay to stockholders, and no Federal income tax (which is paid on profit). Interest on revenue bonds issued to finance capital expansion of local public power systems is also tax-exempt, making such bonds more attractive to lenders at lower interest rates . . .

"Another reason for lower rates is generally more efficient management of local public power systems. As indicated earlier, FPC reports indicate that local public power systems handle their accounting and collections, promotion and advertising and administrative and general expenses more economically than private power companies.

"Local control of electric service means, of course, that each voter has a share in the decisions, and can influence rates and policies. The responsibilities possible in a local public power system takes on new meaning in an age of growing conflict between economic and environmental values. People continue to seek adequate electric service at the lowest reasonable cost, but they are including air and water pollution control and esthetic considerations (such as putting power lines underground) in their demands. There is no "either-or" answer to the conflict and compromises must be made. Local control of electric service can be a key to making wise choices in the search for adequate energy at the least possible environmental cost."

Passage of a resolution by the County Legislature and its placement on the November ballot will provide the voters an important—and early—opportunity to take part in the decision making process.

POWER AVAILABILITY, RATES, FOR A WESTCHESTER COUNTY UTILITY (By Representative RICHARD L. OTTINGER)

Some new information has come in from various agencies, and has been assembled by my staff to provide support for the conclusions of the Beck report that establishment of a Westchester Energy Resources Commission is feasible. I believe our move to create a Westchester utility is essential to the economic well-being of the County.

Such a public power entity could (a) buy power from PASNY; (b) buy power from elsewhere in the region; (c) would be able to produce some power of its own, from benign, renewable resources (small hydro, solid waste, sludge conversion, solar and wind); (d) would not have to own any large, expensive power stations.

From the Niagara Power Project, with a capacity of at least 2.2 million kilowatts, Federal law requires the sale of at least 50 per cent to public bodies and non-profit co-operatives. According to PASNY's report filed with the FPC last January, only 467,100 kw to such customers, and intends to sell an additional 35,000 kw to such customers when asked for it. The total commitment, then, would be 502,100 kw to preference customers; half of the output of the Niagara plant would be at least 1.1 million kilowatts, leaving about 597,900 kilowatts which should be allocated to preference customers, and for which Westchester should be in a strong position to bid. There is, it should be noted, competition for this power, both from within New York and from outside it, as other folks are catching on to PASNY's failure to comply with its mandate.

OTHER AVAILABLE POWER

Last summer the Federal Power Commission supplied reserve margin data for the seven utilities in New York State and for the New England Power Exchange, for summer and winter (summer, 1977, winter, 1976-77):

[In Percent]

	Winter	Summer
New England Power Exchange	41.8	46.9
Central Hudson	46.3	65.8
Con Edison	81.8	35.6
Long Island Lighting	62.8	20.2
New York State E. & G.	55.2	52.5
Niagara Mohawk	18.7	28.8
Orange & Rockland	97.7	54.1
Rochester Gas & Electric	46.9	34.7

In addition, the Federal Energy Regulatory Commission (formerly the Federal Power Commission) has just issued its report on estimated reserves for 1987 to 1996. The three pools in our region are Northeast Power Coordinating Council¹, the Mid-Atlantic Area Council² and the East Central Area Reliability Council³. Here are their estimated reserves:

Year	NPCC	MAAC	ECAR
1987	27.39	32.28	25.89
1988	21.50	27.47	24.66
1989	25.76	28.15	24.61
1990	24.15	29.46	23.76
1991	24.11	25.85	23.85
1992	22.78	26.54	24.57
1993	22.76	24.86	23.99
1994	23.88	27.56	23.41
1995	24.40	24.45	23.56
1996	25.01	24.20	23.32

With 18 per cent deemed an appropriate reserve margin to meet reliability requirement, we're in clover.

In terms of rates, it's obvious that power is cheaper, even when commercially produced, throughout the region; a share of PASNY power, mixed with power from other sources, still would bring down our rates considerably:

City	Residential (500 kWh)	Commercial (40 kWh/10,000 kWh)	Industrial (1,000 kW/200,000 kWh)
Buffalo, N.Y.	\$21.85	\$496.52	\$6,657.84
Youngstown, Ohio	16.56	500.85	6,270.92
Scranton, Pa.	22.61	477.82	5,688.63
Newark, N.J.	32.80	647.19	8,106.45
Bridgeport, Conn.	27.09	530.34	8,344.18
Burlington, Vt.	18.01	322.91	5,202.20
Boston, Mass.	30.17	641.62	9,207.42
Seattle, Wash.	5.42	147.09	2,480.00
New York	54.00	970.79	15,351.19
Plattsburgh	5.49	143.83	1,275.67

Source: Federal Power Commission, "Typical Electric Bills," BLS.

¹ NPCC—Maine, New Hampshire, Vermont, Massachusetts, Connecticut, Rhode Island, New York.

² MAAC—Pennsylvania, New Jersey, Delaware, Maryland.

³ ECAR—Ohio, Indiana, Kentucky, Michigan, West Virginia, parts of Virginia and western Pennsylvania.

CONGRESSMAN EDGAR REPORTS THAT LANSDOWNE MAYOR WILLIAM HELMS TO RETIRE THIS MONTH

HON. ROBERT W. EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. EDGAR. Mr. Speaker, I would like to share with my colleagues the story of a mayor of one of the 38 townships and boroughs in my district who has contributed very much to improving the lives of those in his community. At the age of 83, Mayor William Helms will step down from the post he has held for 17 years. During his tenure, he has never received any salary, expenses, or other financial allowances. His service has been totally out of loyalty and love for his community. As mayor, Bill has received bipartisan support from his constituents. At one time, I understand he was nominated for the office by both political parties.

While Lansdowne is losing a mayor, I know that community will not be losing the experience, integrity, and wisdom that Bill brought with him to public office. Lansdowne will continue to count on him to help his successor cope with the triumphs, disasters, and headaches which come with the job.

I would like to take a moment to trace the path that brought Mayor Helms to public service. He was born in southwest Philadelphia, and he graduated from the Barry School. He served as director of safety for the Bell Telephone Co., his employer for 49½ years.

During World War I, he served with the 103d U.S. Combat Engineers of the 28th Division, Company E, from May 1917 to May 1919.

He has been very active in the Lansdowne American Legion Post 65, and served as post commander in 1947 and 1948. He also is a member of Post 7 of the Society of the 28th Division, AEF, Pennsylvania National Guard's Veterans Association, and the Veterans Association of Company B and E of the 103d Engineers. He served that group as president in 1966.

The mayor has been very active in the First Presbyterian Church in Lansdowne. He served as trustee for 8 years, elder for 8 years, and was president of the Early Christians Men's Bible Class in 1941.

He has long been interested in youth and sports. He has been a member of the Union Athletic Association, and was president of that organization in 1942 and 1943. He is also a member of the Track Officials Group of Philadelphia, and was president in 1967. He was instrumental in running the Union Athletic Association-sponsored Delaware County track meet, which was held at Lansdowne High School for many years.

Mayor Helms is widely recognized as an accredited first aid instructor who has given freely of his time over the years to instruct others. His interest in safety work for Bell Telephone led him to become a member of the Philadelphia Safety Council, Philadelphia Chapter of

American Society of Safety Engineers, and the Delaware County Highway Safety Council.

Mayor Helms is an example of how important voluntary efforts are in improving our quality of life. I join with hundreds of other residents of Delaware County in giving the mayor the ovation he deserves for a job well done.

THE CHAMPIONS

HON. CLARENCE J. BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. BROWN of Ohio. Mr. Speaker, for the last few days as I have passed by my Rayburn neighbor CLARENCE MILLER's office, I have noted a series of banners and signs proclaiming "we are No. 1." Upon inquiring, I was pleased to be advised of the reason.

I would like to salute my colleague, CLARENCE MILLER, and his office staff for advancing the renowned reputation of Ohio football here in the Nation's Capitol. On Sunday his office squad, the Miller Mashers, defeated Senator PAUL LAXALT's staff 7 to 6 to win this year's Capitol Hill Touch Football League Championship.

Football supremacy has long been a tradition in our State, and the Miller Mashers are no exception. Champions in every sense of the word, they finished their season with a perfect 11 and 0 record. Displaying an awesome defense they held their opponents scoreless through seven regular season games, and yielded but one touchdown per game in winning four straight playoff contests.

To finish No. 1 in the Capitol Hill League is no easy task. The weekend league, composed of 8 divisions, has 62 teams in all from the House and Senate. Teams are composed of five men and four women. Perennial playoff participants, the Miller squad last captured the championship back in 1971, the first year of organized play.

Many of the members of that first championship team were on the field Sunday for Super Bowl VII. The club, a patchwork of grizzled veterans, is noted more for their age than their ability, and more for their guile than their quickness. But like the legions of Ohio State's Buckeyes, they play the game with an intensity seldom evidenced. A badgering swarming defense, a patient pragmatic offense; they can beat you any number of ways.

In that teams can include as many as 30 ballplayers, and most office staffs are half that size, most clubs draw from a number of sources to round out their rosters. In the case of the Miller Mashers, four current staffers are combatants: Distaff Rookie of the Year Cheryl "Giddyap" Gordon, Mary "Meathooks" Lamont, David "Bad Boy" Brown, and player/coach Robert "Not So Rapid" Reintsema.

They are supported by ex-Miller staffers "Easy" Ed Rector, Zhenya "The Mad Russian" Kirueshkin; fellow Capitol Hill staffers "Foul" Fowler West of House Agriculture, Ellen "The Bionic Woman"

Rayner of the Clerk's Office, "Reckless" Rick Barnett of House Public Works, and Corky "Coors" Coleman of House Finance; former Hill staffers All Capitol Hill QB Jerry Connors, Irene "Bruiser" Brodowicz; and a talented supporting cast from off the Hill: The "Stick it To 'Em" Stricklers Marie and Jerry, Artful Art Lang, Joe "Hands" Gosnell, Bob "The Enforcer" Bonczek, Mary "Mad Dog" Summerhays, Sharon "Goldie" Golden, Jimmy "Earl" Sparling, Marsha "Stand on 'Em" Stanley, and Carolyn "Hurt 'Em" Hogue.

In closing, I would like to wish the Miller Mashers continued good fortune. May their next season be as successful as their last.

THE NEED TO REBUILD OUR ANTI-TERRORIST DEFENSES

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. McDONALD. Mr. Speaker, public hearings were recently held by the New York State Assembly's special task force on State police noncriminal files at which Herbert Romerstein a member of my staff testified.

Mr. Romerstein reminded the task force that their legislative proposals were based on allegations, now proven untrue, against the New York State Police by a William F. Haddad, and given sensational publicity through Haddad's inspired leaks to the less responsible news media.

In his testimony, Mr. Romerstein made a concise and significant argument for the reestablishment of the New York State Police intelligence unit and the reactivation of their files on terrorists, terrorist support groups, and those who seek by violence to disrupt our normal way of life.

As we know, terrorists are able to travel freely from State to State and even country to country. A failure to monitor their activities in a State such as New York has nationwide repercussions.

I strongly commend a study of this testimony to my colleagues:

STATEMENT OF HERBERT ROMERSTEIN

Mr. Chairman, members of the Task Force, thank you for the opportunity to again testify before your Committee. I have had the opportunity to watch the operations of the New York State Police Intelligence Unit, also known as the Special Services Unit, for the past 23 years. From 1954 to 1956, I served as an investigator for a New York State Joint Legislative Committee; and during 1964, I was an investigator for a New York State Senate Committee. In these capacities, I worked closely with New York State Police. From 1965 to 1975, I served on the staff of the House Committee on Un-American Activities and the House Committee on Internal Security. From 1971 to 1975, I was Minority Chief Investigator of the House Committee on Internal Security. In both official and private capacities, I have provided intelligence information and advice to the New York State Police since 1954.

I was born and raised in New York City and spent 35 years there. Although, I am not a resident of New York State, at this time, I

have many relatives and friends both in the City and State. The safety and security of the people of New York is of continuing concern to me. In addition, in today's world, terrorists and subversives find it easy to travel not only from state to state, but from country to country, so this is not a local problem.

During my previous testimony in Executive Session, I outlined the problem of transnational terrorism and the responsibility of the police to gather intelligence to prevent terrorists acts. Unfortunately, as a result of your Committee's investigation, the New York State Police has been derelict in its duty in this regard. Its Intelligence Unit has been disbanded and its files sealed.

The hearing, today, relates to your suggestions on legislation to prevent police intelligence gathering. It is clear from reading your report on "State Police Surveillance", dated September, 1977, that such legislation is not necessary. In fact, it would be counter-productive and detrimental to the interests of the people of New York.

The investigation by your task force was based on allegations made against the New York State Police by William F. Haddad, an employee of Stanley Steingut, the Speaker of the New York State Assembly. It is clear from your report that every significant allegation made by Haddad was untrue.

Haddad in his report to Speaker Steingut dated October 27, 1975 (Marked confidential and released to the press) stated that the State Police intelligence files were, "political dossiers" (page 1). He further stated that, "these files are political in origin, political in content, political in intent." (page 5) Your report stated,

"The original newspaper reports on the Special Services Files described the Files as 'political dossiers.' We have found that most of the notations on political figures do not comprise dossiers in the sense that a complete detailed file was deliberately compiled on an individual's life and activities. However, through extensive news and magazine clippings, large amounts of information were collected on political figures. There is no evidence that these files were used for improper purposes."

"One of the functions of Special Services personnel is to provide security for the Governor and other political figures when they are appearing in public. This includes national and foreign figures such as ambassadors, the President, national candidates, and Cabinet officials. Many of the so-called 'dossiers' kept on State and national political figures which were reported on in the press appear to have been reports of the individual's speeches and public appearances." (page 21-22)

Your reference to "original newspaper reports" was in fact Haddad's allegations as leaked to the newspapers.

In Haddad's report to Speaker Steingut, he stated, "There are strong indications (and a tacit admission) that wiretap information is included in these dossiers." (page 2) In Haddad's press release concerning his report dated November 6, 1975, he stated, "According to the report, information was collected from confidential information, wire taps, undercover surveillance, newspaper articles and intelligence bulletins." Your own findings after a careful investigation were,

"We have found no evidence at all that the Special Services operation was ever involved in illegal activities such as break-ins, illegal wiretapping, mail opening, etc." (page 37)

Despite Haddad's allegations and the sensational stories in the press, your Committee had to admit that abuses had not occurred in the activities of the State Police Special Services intelligence unit. Your report stated, "That such abuses do not appear to have occurred may be a result of the highly professional nature of the State Police." (page 51)

Your report made the point that,

"It is clear that the greatest harm to individuals that could result from intelligence files is the use of this information by non-police persons or organizations in an improper manner. We have seen no evidence that Special Services File information was ever used in this manner, or that it was ever disseminated to unauthorized persons or agencies. Furthermore, the Police have testified under oath that there was no such dissemination." (page 40)

In the 23 years that I have been in contact with New York State Police, I know of only one instance in which State Police intelligence information was improperly disseminated and used. This was when State Police files were made available to William Haddad, in his capacity as an employee of Speaker Steingut. Haddad leaked material from State Police files, not only to the press, but to such organizations as the National Lawyers Guild and the Socialist Workers Party. Both of these organizations have served as part of the support apparatus for foreign, as well as domestic terrorists. The information supplied by Haddad was used publicly in a distorted and sensational manner by these groups. It was also used to identify individuals that had provided information to the New York State Police on violence prone and terrorist groups. In his dissenting statement to your report, Assemblyman James F. Hurley, a member of the Task Force, made reference to Haddad's "serious breach of integrity". (page 54)

Based on the admissions made in the report of your Task Force it should be clear that since there was no problem, remedial legislation is not necessary. However, you have made a series of recommendations for legislation which I feel are both unnecessary and dangerous. Your recommendations are similar to that of Haddad, who in his report of October 27, 1975, to Speaker Steingut stated,

"Our special counsel, Terry Lenzner, comes up with a legislative concept for consideration. Before a file can be started, police might be required to gain permission to do so by establishing and proving cause to a legal authority. Only when that case was made, would a dossier be started." (page 6)

Your own recommendation No. 11 says:

"Legislation should be enacted to require that the Police obtain signed warrants before conducting certain intelligence activities. The warrant should require that the investigation in which the activity would be undertaken would have to be clearly related to a criminal activity." (page 59)

What was the sense of your conducting an investigation, when after disproving every significant allegation made by Haddad, you then recommend the same ridiculous legislation that was recommended by Haddad and Lenzner. This recommendation, if enacted into law, would make it impossible for police anywhere in the State to gather intelligence information in order to prevent terrorist violence. This is a "Catch 22". There is no way that enough information could be obtained without extensive investigation to enable the police to get a warrant. They could not investigate without a warrant.

On February 17, 1965, the New York Daily News headlined "Hero Cop Foils Bomb Plot." The paper told the story of New York City Police officer Raymond Wood, who penetrated a terrorist group that planned to blow up the Statue of Liberty. As a result of his courageous work, the culprits were arrested when they brought dynamite into New York City from Canada. They were tried, convicted and served jail sentences. If the recommendation made by Haddad and by this Committee were the law then, the Statue of Liberty would have been bombed with extensive loss of life.

In the summer of 1967, 17 members of a terrorist group were arrested in New York and Philadelphia for plotting the assassination of Whitney Young, of the National Ur-

ban League; and Roy Wilkins, of the NAACP. These murders were prevented because undercover officers of the New York City police department penetrated the terrorist group. If your legislation was in effect then, there would have been no way to prevent the murders.

Other New York City undercover officers and informants provided the evidence against members of terrorist bomb rings operating in New York City a few years ago. Your recommendation would have prevented the police from doing their work.

Your recommendation No. 7 is:

"The Legislature should amend the Freedom of Information Act to allow individual's access to their law enforcement files, when the investigation was based on an activity which was not a criminal act and did not result in a criminal act." (page 58)

Since not every action of a criminal is a criminal act, this recommendation would prevent the police from compiling intelligence information on the known associates and other operations of not only terrorists but the members of organized crime. When a citizen allows the police to observe an organized crime gathering taking place near his home, your recommendation would make his identity known to the criminals if the evidence was not available, at that time, that they were committing a particular criminal act. It is no secret that it is at the social gatherings of organized crime families that they meet with their criminal associates and corrupt politicians. Your recommendations would protect the corrupt politician from police surveillance.

Your recommendation No. 10 says,

"The legislature should enact statutes which would recognize an individual's right to privacy and create a cause for civil action for violation of this right. This right could also be extended to prohibit purely political surveillance, harassment, provocation and selective law enforcement in this area." (page 59)

While your own report shows that the New York State Police committed no such abuses, this recommendation would encourage disruptive lawsuits against the police by the lunatic fringe and violence oriented groups. Even without your recommendation such lawsuits are underway in many parts of the country including New York.

Your recommendation No. 4 is that,

"The Assembly Governmental Operations Committee should conduct a review of State Police operations at regular intervals and issue public reports." (page 57)

As I indicated before, while the New York State Police was extremely careful to prevent unauthorized and improper use of its files, when William Haddad and Thomas Burton, employees of the legislature, had limited access to the files, they misused the material made available to them. Among other things, Haddad and Burton obtained information from New York State Police files about John Rees, the publisher of a newsletter which reports on terrorist and violence oriented groups. Haddad and Burton took information of a personal and identifying nature about Mr. Rees and his family, that Mr. Rees had supplied the New York State Police, and turned it over to the National Lawyers Guild, a group that is in close contact with the Palestine Liberation Organization terrorists; the Socialist Workers Party, the American section of the Trotskyite Fourth International, some of whose sections have engaged in terrorism in Latin America, Europe and the Middle East; and the publication Counterspy, which was officially cited by the CIA as having provided the identity of the CIA station chief in Athens, Greece, which resulted in his murder by Communist terrorists.

Until the legislature can make sure that irresponsible such as Haddad and Burton will not have access to sensitive police infor-

mation, the legislature should not have control of police files.

Your Committee has already done considerable harm as a result of the sensational and distorted publicity carried in the press about your report. The New York State Police still has not re-established the intelligence unit or restored the intelligence files to use.

The New York City Police Intelligence gathering ability has also been severely curtailed as a result of politicians applying pressure. I talked to you about this last year during my testimony in Executive Session. Instead of taking steps to remedy the police weakness created by politicians, your Committee issued a report and a series of recommendations to further reduce the ability of the police to cope with terrorism.

On August 3, 1977, terrorist bombs exploded in New York City injuring a number of innocent people and killing Charles Steinberg. His death should be on the conscience of every politician that participated in weakening police intelligence gathering which might have prevented this tragedy. As I told you last year, a number of Communist terrorist groups have targeted American Jews as their victims. The communique issued by the FAIR on the bombings that murdered Charles Steinberg, after a lengthy diatribe about Puerto Rico, ended with, "Victory to the Palestinian Struggle."

As a result of the severe cutback in police and FBI intelligence gathering, it has become more difficult to protect both officials and the American public from terrorist attacks. On July 27, 1977, H. Stuart Knight, Director, of the U.S. Secret Service, testified before the United States Senate Judiciary Committee, subcommittee on Criminal Laws and Procedures. His agency is charged with the protection of the President of the United States and other officials and foreign dignitaries.

Mr. Knight pointed out that in the past his agency had received substantial intelligence information from federal and local law enforcement agencies. This helped them do their job. Now, however, the quantity and quality of the information has been severely reduced. He stated, "we are now receiving only 40 to 50 percent of the information we received previously."

When asked by Senator Hatch if, "the President himself may be in much greater jeopardy today because of the up to 40-percent falloff in intelligence information that we have heretofore had in the past," Mr. Knight answered, "I think that is a fair statement, Mr. Chairman. As I indicated to you, it is a source of concern to me."

Senator Hatch asked, "What happens if the President wants to visit, say a large city like Chicago, where the intelligence files have been locked up or destroyed or otherwise done away with for more than 2 years? How can the Chicago police cooperate with you without their files?" Mr. Knight answered, "They can only then rely on what we would term 'institutional memory'—what their personal recollections are. This is not the greatest source of information."

Senator Hatch asked, "When the Secret Service does not have adequate intelligence about a city—let's say the city of Chicago, or any other city for that matter—that the President is about to visit, how do you come up with the information to correct the deficiency? Or do you?" Mr. Knight answered, "We don't, really."

Mr. Chairman, your Committee has already done considerable harm to the people of the State of New York by weakening the protection that they have a right to expect to receive from the New York State Police. Please don't do further harm by promoting the ill-conceived legislation that you have recommended in your report. Please let the police do their job without further interference from political hacks and publicity seekers.

BOEING PLANS NEW GENERATION OF COMMERCIAL JETS

Hon. John E. "Jack" Cunningham

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. CUNNINGHAM. Mr. Speaker, everywhere in the world the standard of quality in commercial airplanes is the Boeing jet. I recommend to my colleagues a recent article which appeared in the December 9, 1977, issue of the Wall Street Journal by Mr. A. Richard Immel.

Mr. Immel points out that the Boeing commercial airplane company is moving right ahead to develop new products and new markets. The Seventh Congressional District contains the headquarters of Boeing and I am proud to represent it and the many thousands of workers who give it the vitality. For a business is just a reflection of its employees. Hearings recently held by the gentleman from Texas (Mr. MILFORD) in this capacity as subcommittee chairman of the Transportation, Aviation, and Weather Subcommittee of the House Science and Technology Committee at Boeing on December 5, found many of the same optimistic signs that Mr. Immel did in his article.

America will remain very competitive in the production of commercial aircraft as long as companies such as the Boeing Co. continue to be forward-looking and to produce a quality product.

BOEING SAYS AIRLINES' INTEREST PROMPTS STEP-UP OF WORK ON NEW FAMILY OF JETS

(By A. Richard Immel)

SEATTLE.—Increasing airline interest has encouraged Boeing Co. to step up development work on its next major family of commercial airplanes, and the aerospace company said it hopes to get airline order commitments by next summer for the first all-new aircraft program since the 747 jumbo jet.

To begin deliveries by late 1982 "we need to firm up contracts and orders by mid-next year," T. A. Wilson, chairman and chief executive officer, said in an interview. "That schedule is acceptable to the airlines," he said, "and we're proceeding to protect those dates now."

It isn't a sure thing yet for Boeing because derivative models of other manufacturers' existing planes are also being considered, including versions of the European A-300 Airbus, McDonnell Douglas Corp.'s DC-10 and Lockheed Corp.'s L-1011. "Nevertheless, I think there's a better than 50-50 chance we'll be able to put a program together," Mr. Wilson said.

TALKS WITH DOMESTIC LINES

Boeing has been talking with domestic airlines for some time trying to develop a consensus on what kind of airplane would meet the airlines' needs of the 1980s and 1990s. He said a mid-October meeting with United Airlines and American Airlines resulted in Boeing discarding its previous 7N7 and 7X7 plane designations in favor of a compromise model acceptable to both United and American that would seat seven passengers across with two aisles. (The earlier models being considered had six abreast and eight abreast seating).

The newest proposal, which Mr. Wilson said is designated only as "our new airplane," would be in between the size of current narrow body and wide-body jets. It would offer various configurations to handle from 180 to 200 passengers in both two-engine and

three-engine versions designed for medium and transcontinental ranges.

Although the plane hasn't been priced yet for the airlines, Boeing is roughly estimating it in the \$20 million to \$25 million range, about double the current price of the company's best-selling 727 trijet model. The new aircraft would be much more fuel-efficient, however, and would meet 1985 federal noise standards that will force all domestic airlines to modernize their fleets by then.

NO DRAG ON EARNINGS SEEN

Industry analysts have estimated the cost of such a program could run between \$1 billion and \$2 billion and have said this kind of expense will put a dent in Boeing's earnings. Mr. Wilson declined to talk numbers, but he said if the company goes ahead it expects to be able to "substantially finance" the program from internal cash flow and isn't concerned about a drag on earnings.

He said Boeing isn't trying to get a specific number of orders for the new plane but rather wants to get airlines that represent a substantial part of the medium-range market initially interested. "We assume that if we do a good job they'll follow" with more plane orders, he said.

Concerning foreign participation in building the plane, he said so far an Italian airplane company is the only foreign bidder that has an agreement with Boeing to manufacture part of the new plane. "I don't exclude anybody," he said of other possible foreign agreements, but, he added, such arrangements are difficult to work out because the new plane program isn't defined yet, and also because of the political ramifications of dealings with government aerospace companies.

Mr. Wilson said the company is also working on an advanced version of the 737 or the 727 that would incorporate "a modern engine and a modern wing" with the smaller body size "to protect the bottom end of the market." Passenger capacity of this plane would be 140 to 160.

STRIKE'S IMPACT NOT DETERMINED

Turning to the recently ended strike by the International Association of Machinists and Aerospace Workers, Mr. Wilson said the impact on earnings hasn't been determined yet and won't be until after the first of the year. "It will have an impact on the fourth quarter and farther out," he said, "but I think we'll still have a pretty good earnings performance" in the fourth period. He noted that Boeing still will finish 1977 well ahead of 1976. Nine-month earnings were \$124.5 million, or \$2.93 a share, up from \$65.4 million, or \$1.54 a share, in the year-earlier period. For all 1976, the company earned \$102.9 million, or \$2.43 a share.

"The major impact (of the strike) is the effect on commercial customers and, in some cases, on other critical areas where schedule slides have hurt our customers," he said. He noted the effect of the six-week strike on commercial airplane deliveries is "greater than one might think at first blush" because the company had been gearing up to increase its monthly airplane production rate. The buildup is being resumed, but more cautiously, he said. "Frankly, we'll have to see what the productivity of the work force is. We'll be reviewing it daily for a couple of months," he said, adding that employees "came back with an extremely good attitude." He termed the settlement "a good settlement" for both sides and consistent with the company's planning.

"We delivered most of October's planes because they were almost done," he said, but for the entire fourth quarter, deliveries are projected at 30 planes, 13 less than the company had planned to deliver had there been no strike. Airplane production is scheduled to increase by the middle of next year to 18 planes a month from 13 a month, he said.

OPTIMISM EXPRESSED

Although production delays could result in a few lost sales, Mr. Wilson said he is just as optimistic about the company's business outlook now as he was earlier in the year. "The sales of 747s have been more dramatic than anything else," he said. Both 747 and 727 production is sold out through the middle of 1979, he added, and although the smaller twin-engine 737 program isn't "growing by leaps and bounds, it's pretty solid." Boeing employment is growing "and we expect it to continue to grow like it has been over the next year" as production rates are increased on commercial programs.

On the other hand, Boeing's military and government business, which accounts for about 25% of total sales, is expected to decline over the next several years, although the decline will be gradual and will be more than offset by increases in other areas.

"We've still got some solid programs," Mr. Wilson noted, but he said the company lost some important competitions this year and has been affected by Department of Defense cancellations and by budget pressures in the Carter administration. "Cancellation of the B-1 bomber program had a major effect on us," he said. "We had a major avionics sub-contract and a lot of people thought the (related) cruise missile and B-52 work would supplant the B-1, but that isn't true."

He said although Boeing was successful in obtaining a number of small government contracts "two major disappointments" this year were the loss of the space telescope and UTTAS helicopter competitions.

HOLY INNOCENT CHURCH'S 50TH ANNIVERSARY

HON. RAYMOND F. LEDERER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. LEDERER. Mr. Speaker, 27 years after the turn of the century, when Philadelphia was expanding into the Greater Northeast and the Kensington section of the city was being built up, a little parish, Holy Innocents, came into existence.

On the 28th day of December 1927, the feast of the Holy Innocents, in the Roman Catholic faith, Father Martin P. Lynch, the first pastor, chose the name of his church. At its beginning, the parish was composed of some 200 families from surrounding parishes. Since this pilgrim parish was without a church, the first mass was celebrated in the auditorium of the Northeast Catholic High School. Shortly after this early beginning, a temporary chapel was constructed where mass and confessions could be conducted. This initial construction was only possible with the aid of many of the church's new parishioners. In 1929, a new parochial school came into being. The Holy Innocent School opened its doors with the aid of four fine Sisters of the Immaculate Heart of Mary. Some 115 children began their education in the back of the little chapel used by the faithful for Sunday worship.

During the 1930's, the country began a decade of depression and Holy Innocents, amidst this economic chaos, planned its building program. As soon as the depression ended, the church commenced its program. On December 4, the Holy Innocents Parish celebrated its

50th anniversary at 4 p.m. with a celebrated mass offered by Auxiliary Bishop Gerald V. McDevitt with the homily offered by Auxiliary Bishop John J. Graham.

Over these 50 years Holy Innocents has become a pillar in the Archdiocese of Philadelphia. Its sons and daughters have gone on to contribute to the church, Government, and the armed forces. One cannot think of the Juniata community without thinking of Holy Innocent's Parish.

Mr. Speaker, may I take this opportunity to offer my personal congratulations to the parish and its pastor, Father Dougherty, on the passing of 50 years of service to my Philadelphia community, as well as wishing them many, many more years of success and prosperity.

AMTRAK'S TRACK RECORD

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. OTTINGER. Mr. Speaker, I have consistently supported the development of a first-class national railroad passenger system. Congress has shown its continued support of the same goal in providing the national railroad system with billions of dollars for rail and equipment improvements.

However, I wish to express my concern over Amtrak's continually increasing requests for operating subsidies. Since 1971, their operating subsidies have jumped from \$40 million to over \$500 million. Yet, their service leaves much to be desired. Last year, for example, Amtrak had an on-time performance of only 4 percent.

In light of Amtrak's repeated threats to cut back much of its service to the Northeast corridor, I feel it is important to bring these facts to the attention of this body. At this point in the RECORD, I wish to insert the text of my statement to the House Appropriations Subcommittee on Transportation regarding Amtrak's service cutbacks.

STATEMENT BY THE HONORABLE RICHARD L. OTTINGER

Mr. Chairman, Members of the Subcommittee on Transportation, I wish to express my appreciation for this opportunity to submit testimony on Amtrak's request for additional operating funds.

Gentlepeople, something is rotten at Amtrak. Either Amtrak is being seriously mismanaged, or it is attempting a raid on the U.S. Treasury by holding the public as hostage.

In either case, this presents Congress with a dangerous situation, since Amtrak is created as a "for profit" corporation. Yet, it receives considerable public subsidization.

If Amtrak is seriously mismanaged, we can expect little relief from their continuing requests for increased subsidization. If this is a raid on the Treasury, what will prevent us from being their hapless victim again?

In either case, the public will pay more and more for less and less service. Unless, the management of Amtrak is taken to task now.

I strongly urge this Subcommittee to initiate additional hearings into the management of Amtrak. If reasonable explanations cannot be made and supported for the recent

actions of Amtrak, those responsible should be asked to resign.

Amtrak has announced that widespread service cutbacks will take effect on November 6, 1977, if additional operating funds are not appropriated by Congress. I am seriously concerned about the impact of these service cutbacks on the integrity of our national passenger rail system, and their impact upon our energy, pollution, and urban congestion problems.

I am particularly concerned about Amtrak's reductions in service to Westchester residents at the Rye station. The announced service cutbacks will eliminate all the convenient service to this station, thus driving passengers away. Many other Districts will be also facing similar rail service problems.

For example, a person used to be able to leave Rye, New York, at 8:48 in the morning and arrive in Washington, D.C. at 12:30 in the afternoon. Now, he or she has to either leave at 5:55 a.m. or wait until 1:41 in the afternoon for a train that won't arrive in Washington until after 6:30 in the evening. Similarly, the convenient 7:48 and 9:48 a.m. trains to Boston are being eliminated leaving only a train at 3:50 a.m. or at 1:43 p.m.

The announced service cutbacks will devastate the rail passenger service available to over a million Westchester residents through the Rye station. It will impair the confidence which they were just beginning to have in the national rail passenger system.

Given the hardship which will be created by the service cutbacks, I would urge this Subcommittee to provide the funds requested. However, these developments raise some disturbing questions about the management of Amtrak.

This Subcommittee has consistently forced Amtrak to take budgetary matters into consideration. Through the restrictions placed on Amtrak we have undoubtedly seen an acceleration in the process of implementing the Route and Service Discontinuance Criteria which have been established.

By its own admission, Amtrak would rather have its structure determined solely by policy considerations. It would want to have a nationwide passenger rail system implemented immediately, regardless of the cost.

I have little doubt that, like myself, the Members of this Subcommittee strongly support a national passenger rail system, but would like to see such a rail service operated efficiently and economically. This is the primary reason for the Subcommittee's emphasis on utilizing the Discontinuance Criteria for the restructuring or elimination of money-losing lines.

The announced rail service cutbacks, which will take effect November 6, were clearly not designed with an eye towards economizing on money losing lines. In fact, I find the announced rail service changes incomprehensible from either a policy or budgetary point of view.

Instead of improving service and routes in areas such as the Northeast Corridor, where ridership potential clearly exists for expanded and profitable operation, Amtrak announced service cutbacks for this area. Instead of eliminating unprofitable service, Amtrak clings to its money-losing lines. One line, the Chicago-Oakland, loses nearly \$10 million a year. Elimination of this single passenger line would make-up 20% of the projected deficit for FY 1978. There are, in addition, at least a dozen money-losing, long-haul lines which could be restructured or eliminated.

Viewed on its own, the management decision of Amtrak to cut a large number of profitable lines, and reduce some of the most convenient service to its major passenger corridors, can be seen as a sure fire formula to drive passengers away. Amtrak must have been aware that this would create additional budgetary problems, which in turn would

result in increasing, not decreasing, its Fiscal Year 1978 deficit.

Such service reductions can be viewed as nothing short of irresponsible—unless, they were designed for political impact, in which case, they may well be a success. It seems that about 360 House Districts are in some way hit by these cutbacks.

I, for one, do not wish to stand idly by and watch a publicly chartered corporation raid the U.S. Treasury. I strongly urge this Subcommittee to let Amtrak know that it cannot hold the public as hostage.

I would hope that the Subcommittee will agree with providing the funds necessary to obviate the announced service cutbacks. I would equally hope that the Subcommittee will seek out complete explanations for Amtrak's questionable actions, and take appropriate action.

Again, let me express my appreciation for this opportunity to express my views on Amtrak's request for additional funding, and my appreciation for this Subcommittee's efforts to see that our national passenger rail system is operated efficiently and economically.

SEVERNA PARK RESIDENT PEACE CORPS VOLUNTEER IN KENYA

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mrs. HOLT. Mr. Speaker, helping the handicapped become self-supporting is certainly one practical way in which our young adults can make a lasting impression in other countries. I am very proud that one of my constituents, Ms. Patricia A. Reidy of Severna Park is a Peace Corps volunteer in Kenya and am happy to have the opportunity to insert the following ACTION news release concerning Ms. Reidy's hard work, in the CONGRESSIONAL RECORD:

SEVERNA PARK PEACE CORPS VOLUNTEER GIVES MANAGEMENT HELP TO JEWELRY ENTERPRISE FOR HANDICAPPED WORKERS IN KENYA

MAZERAS, KENYA.—A group of men and women who are either blind, paralyzed or without limbs are fashioning some very elegant jewelry in a small village in Kenya. Working in a small dark workshop, they make the ornate pieces out of copper pipe and wire, coconut shells, seedpods and banana tree bark.

"These skilled craftsmen earn salaries, support their families and are proud of their work. But if it weren't for Bombolulu (the craft industry), they would be outcasts, begging on the streets," said Peace Corps volunteer Patricia A. Reidy, 31, of Severna Park, Md. Ms. Reidy is the acting manager of Bombolulu, located in the village of Mazeras in the East African country.

A 1968 math graduate of Ladycliff College in Highland, N.Y., Ms. Reidy is in her seventh year of Peace Corps service. From 1968 until early 1972, she served as a math teacher and new math coordinator in the West African nation of Sierra Leone. After a year of traveling and training Peace Corps volunteers in Uganda, she joined again and served another three years as a secondary school math teacher in the port of Mombasa in southern Kenya.

"I didn't get interested in crafts until I left the Peace Corps in February, 1976 and did some more traveling. I went home to the United States in July and people had asked me to market some merchandise," said Ms. Reidy. "When I returned to Mombasa in July, I did volunteer work with the Home Industry

Shop there, getting the feel of how crafts were bought and seeing how a small business was run. I then heard about Bombolulu, and that it had lost its manager and was in trouble."

Started in 1970 as a training center for the handicapped by a British volunteer teacher, Bombolulu developed into a profit-making industry with the help of former Peace Corps volunteer Holland Mills, 30, from North Carolina. According to Ms. Reidy, Mills helped design the jewelry, train the workers and find markets for the products.

"Initially funded by the Ministry of Social Services and the Methodist Church, Bombolulu became independent and self-supporting in 1972, largely through the efforts of Mills," said Ms. Reidy. "He trained each of the first six or eight workers individually, developing their strengths and coordination. It took a lot of work and patience, particularly in training the blind workers to string beads, spiral copper wire, and polish and clean the jewelry."

Mills left in 1973 after training a Kenyan manager to take over his job. The new manager reported to a volunteer governing committee of community residents in and around Mazeras, which is about 12 miles north of Mombasa.

"It takes a lot of self discipline to run this place and the manager was not the right person for the job. I don't know how it kept going. In July, 1976, Bombolulu had no money in the bank, was way behind in orders and was losing good customers," said Ms. Reidy, who became acting manager in August. She rejoined the Peace Corps for another year last December.

"The old manager left before I came and I had about an hour's briefing by a committee member who drew up a work plan. I had practically no business experience and really had to scramble," she continued. "Bills and salaries had to be paid and we had no running capital. There were about 40,000 shillings (\$5,000) in assets with the buildings and material, but this is nothing. It takes about 20,000 shillings to run the place for a month, including 15,000 shillings in salaries."

"The only things that kept Bombolulu going were earlier profits and donations. For three years, it barely made a profit and the sales were not increasing with the cost of living. When I came, it was still self-supporting, but that's no way to run a business," said the volunteer.

Ms. Reidy was able to recapture some of the old customers, push some orders through and get a little money in the bank by last January, when a new Kenyan manager was hired. She worked with him for about six months while preparing a financial report costing everything "down to the lemons that are used to clean the jewelry."

"I tried to familiarize the new manager with all facets of the business from marketing, paying bills, banking, sales promotion to day to day office work. Then I let him take over last July," said Ms. Reidy. "I left the picture almost entirely so that we could find out if he could handle it on his own. I just sat home chewing my nails, which was the hardest part of my job."

"I knew by mid-July, however, that he wasn't going to work out. It just was too much for him to handle. Orders weren't being filled on time. Materials weren't being replenished and correspondence was neglected. Again, we started losing customers and money," she said.

Ms. Reidy took over the management of Bombolulu again in September, repeating the work she had done the previous year. "I'd like to re-enroll in Peace Corps for another year and train three of our workers in different facets of the business so that they could run it themselves eventually. For awhile, however, a volunteer supervisor will be needed to oversee this business and another Bom-

bolulu project that started this year," she concluded.

Recently, the Bombolulu committee started a farm for handicapped workers with the goal that it too will become self-supporting.

In the meantime, the volunteer is striving to get the jewelry business back on a solid profit-making basis. "It is going to take a tremendous effort, but I would like to see at least \$500 or \$600 clear profit a month coming in. If we can do that and bank about \$7,500, we'd be in good shape," she said. "We don't plan any great expansion, however, unless we see a great demand for the product."

Most of the jewelry, which is quite ornate, was originally designed by Millis after traditional Kenyan pieces. It is fashioned out of copper pipes which are hammered into beads and strung on copper wire. Bits of coconut shells and dried seed pods also are made into beads and other ornaments. Neck bands are made out of the dried bark of banana trees.

Four blind workers do most of the assembling, beading and chain-making. Six other workers, who either have missing limbs or cannot use their legs, do the intricate cutting, molding and finishing. Less skilled workers clean, polish and lacquer the copper and learn the craft by watching others.

Most of the handicapped workers live on the Bombolulu compound in wooden or mud houses with thatched roofs. Other buildings include a small work house, a showroom for the jewelry and a small grocery store.

"The grocery store is not a profit-making venture, but a service we provide for the workers. Some of them would have to crawl a mile to the village to get their food," said Ms. Reidy. "As it is, a couple of them have to crawl to work from the village because we don't have enough housing for all of them."

Fifteen of the workers are married, but only a few have their wives and children living with them, according to the volunteer. "It isn't uncommon in the area to live without your family while earning a living," she said. "And these workers are so happy that they have something to do to support their families that they are willing to make this sacrifice."

Most of the workers earn about 400 shillings or \$50 a month, "which isn't much for skilled craftsmen, considering that a houseboy in Mombasa gets 350 shillings a month. But they don't complain," said Ms. Reidy. She hopes to be able to raise their salaries in a few months.

The jewelry ranges in price from about \$1 to \$10 wholesale. A \$10 necklace or earring set retails for about \$15. About 35 per cent of the merchandise is sold to overseas customers, mostly organizations which sponsor handicrafts in developing countries. Overseas customers can purchase the jewelry custom free by writing to Box 83988, Mombasa, Kenya, for a Bombolulu brochure.

The rest of the jewelry is marketed in coastal hotels and shops in Mombasa and Nairobi, the capital city. Ms. Reidy is trying to attract more local markets particularly the tourist industry. She would like to turn the showroom into a shop and have it included on tours of the area.

"I'm surveying nearby villages for other craft projects which would attract the tourist trade. I'd like to include other crafts such as wood carvings, baskets and traditional musical instruments in the shop as an added attraction," said the volunteer. "Eventually, I would like to send some of our workers to train other handicapped people in jewelry making. What this country needs is to start more technical trade schools, particularly for the handicapped."

"I'm very excited about this whole project. Not only has it opened up a whole new field of interest for me, but it has given me a real sense of satisfaction to be of assistance to these people," she said. "What Bombolulu does is give them a sense of belonging to society again."

The daughter of George and Dorothy Reidy of Severna Park, the volunteer lives at 466 Severnside Drive in Severna Park. She graduated from Holy Trinity High School in Glen Burnie, Md. in 1964.

Ms. Reidy is one of about 260 Peace Corps volunteers and trainees serving in education, fishery, health, agricultural cooperatives, rural and water development and special projects in Kenya.

More than 5,700 Peace Corps volunteers serve in 62 developing nations around the world. The Peace Corps is part of ACTION, the federal agency established in 1971 to administer volunteer programs at home and overseas.

This fall, the Peace Corps is seeking more than 650 new volunteers for two-year assignments in Asia, Africa, Latin America and the Pacific. Persons with backgrounds in agriculture, health and math/science education are particularly needed. Interested persons may call ACTION toll free at 800-424-8580 for more information.

ACTION's domestic programs include VISTA (Volunteers in Service to America), Foster Grandparent Program, Retired Senior Volunteer Program (RSVP), Senior Companion Program and University Year for ACTION. Sam Brown is the director of ACTION.

JANE'S CAUTIONS AGAINST SCRAPPING B-1

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. ASHBROOK. Mr. Speaker, I have consistently supported production of the B-1 strategic bomber. Failure to move forward with this program would impair our national defense. The simple fact of the matter is that we need a new and modern intercontinental bomber force.

Although the B-52 has done an outstanding job in the past, it is growing old. Much has happened during its nearly 30 years of service. The Soviets soon will have the technological ability to outclass our B-52's. We must not permit this to happen.

Jane's, an authoritative British publication that monitors defense trends, warns that the Soviet Union is on the verge of achieving air superiority. This has grave military implications. In fact, Jane's asserts that President Carter's decision to scrap the B-1 has sowed "the seeds of defeat for the Western powers."

Jane's 1977-78 edition of "All the World's Aircraft" compares Carter's cancellation of the B-1 in favor of cruise missiles to Hitler's decision to rely on V-1 buzz bombs to destroy England. Jane's says:

Only one military leader has previously put massive faith in such missiles and Britain, in a far from technologically advanced age, had little difficulty in coping with Adolph Hitler's V-1 flying bombs.

And the cruise missile, an updated version of the buzz bomb, is no match for new Soviet aircraft.

Jane's warns that the balance of military power is shifting to the Soviets. Jane's states:

It is vital for all peoples to understand that the fragile coexistence maintained for a generation by balanced East-West military power is being allowed to slip, inch by inch,

from our grasp. In the past, the fact that NATO tactical air forces are outnumbered nearly three to two by Warsaw Pact tactical aircraft in Europe was offset by the higher standards of Western aircraft and training. That advantage is being eroded rapidly.

We cannot expect the B-52 to meet our strategic bomber needs indefinitely. We need to move forward now with production of the B-1.

In the past few years we have let military superiority slip from our grasp. Words like "parity" became the order of the day. Now we are sliding into an even more dangerous military position where we will have inferior strategic forces compared to the Soviets. Cancellation of the B-1 bomber would be another tragic step in the wrong direction.

Following is an article on Jane's warning which appeared in the December 8 Washington Star:

JANE'S WARNS CARTER ON SCRAPPING B-1

LONDON.—Warning that the Soviet Union is close to achieving vital air superiority over the West, an authoritative British publication says that President Carter may have "sowed the seeds of defeat" by scrapping the B-1 bomber.

In an unusually harsh comparison, the new edition of Jane's "All the World's Aircraft" likened Carter's decision to scrap the B-1 in favor of cruise missiles to Adolf Hitler's belief that his V-1 buzz bombs could destroy England during World War II.

"Only one military leader has previously put massive faith in such missiles and Britain, in a far from technologically advanced age, had little difficulty in coping with Adolf Hitler's V-1 flying bombs," Jane's said yesterday.

Maintaining that the cruise missile—in essence a modern, highly sophisticated version of the buzz bomb—was no match for new Soviet aircraft, Jane's said that "the United States has sowed the seeds of defeat for the Western powers" by canceling production of the expensive supersonic bomber originally sought by the Air Force to replace its aging fleet of B-52s.

Jane's said that the qualitative superiority of the West's airpower in Europe was rapidly slipping away to the Soviet Union, which it said is known to have developed at least three new combat aircraft, including a new light-weight fighter designed for defense against cruise missiles.

"It is vital for all peoples to understand that the fragile coexistence maintained for a generation by balanced East-West military power is being allowed to slip, inch by inch, from our grasp," Jane's said in a foreword to its 1977-78 edition by its editor, John W. R. Taylor, a noted British aviation writer.

"In the past, the fact that NATO tactical air forces are outnumbered nearly three to two by Warsaw Pact tactical aircraft in Europe was offset by the higher standards of Western aircraft and training. That advantage is being eroded rapidly," Jane's said.

PERSONAL EXPLANATION

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. SARASIN. Mr. Speaker, on November 3, 1977, I was absent for part of the legislative session of the House of Representatives. Had I been present, I would have voted in the following fashion:

Rollcall No. 738: H.R. 7555: Labor-

HEW appropriations—the House agreed to the rule (H. Res. 893) for consideration of the conference report, “yea”;

Rollcall No. 739: H.R. 7555: Labor-HEW appropriations—the House rejected a preferential motion that the House agree to the Senate amendment to the House amendment to the Senate amendment No. 82, “yea,” and

Rollcall No. 740: House Joint Resolution 643: Continuing appropriations—The House agreed to the rule (H. Res. 892) providing for the consideration of the resolution, “yea.”

Mr. Speaker, on November 4, 1977, I was also absent for the legislative session of the House of Representatives. Had I been present, I would have voted in the following fashion:

Rollcall No. 742: Journal: the House approved the Journal of Thursday, November 3, 1977, “no.”

SUN DAY

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. OTTINGER. Mr. Speaker, next May 3 is to be Sun Day, a day set aside for a national celebration of solar energy. It is a day for the exposition of available solar energy equipment in all forms, demonstrating the current feasibility of this vast, clean, renewable energy resource.

Sun Day promises to be a very big event, with thousands of people all across the country involving themselves in showing off solar technology, and promoting solar energy as the major element of our national energy future that it should be.

I have the pleasure to serve with my good friend and colleague, JIM JEFFORDS, on the board of directors of Solar Action, which is the national sponsoring organization for Sun Day. I also am serving on the board of advisers of New York Sun Day, under the sponsorship of Consumer Action Now and its Council on Environmental Alternatives, based in New York City.

The Environmental Study Conference, which I started and which JIM JEFFORDS now chairs, will serve as a clearinghouse for assisting Members of the House and Senate in obtaining information on Sun Day. ESC will also provide liaison between the Congress and the outside organizations involved with Sun Day. There will doubtless be many constituent requests, and the ESC will help provide information to fill those requests.

I would like to share with my colleagues the text of a brochure which has been prepared by Solar Action detailing the purposes and intentions for Sun Day. In addition, Consumer Action Now has prepared an informational piece on its plans for Sun Day in New York. The plans for the Big Apple are ambitious and hopefully will provide inspiration for activities that can be planned in other communities.

Mr. Speaker, I ask unanimous consent that the two brochures mentioned be printed below:

THE SUN

The sun has been shining now for several billion years, and scientists expect it to keep doing so for several billion more. The sun rises every morning and sets every evening, delivering energy to your doorstep (or rooftop) without powerlines, pipes or a hose. It is the most predictable and egalitarian energy source. Since the sun doesn't foul the air, land or water, it is safe and non-polluting. And there isn't a thing that a terrorist, hijacker, multinational cartel can do to prevent sunpower from reaching you.

Even when the sun isn't shining, its immense energy is at work making the winds blow, clouds form, rain fall, and trees and crops grow. Since the sun transfers power into everything it touches, the proper technology can harness that energy and put it to work for you. Sunlight becomes hot water through a solar panel (or electricity through a solar cell). Wind becomes a water pump through a windmill. Rainfall becomes electricity through a small hydroelectric dam. Wood becomes warmth through a wood stove. The possibilities go on and on.

Moreover, solar technologies are not “exotic”—many of them predate the oil, gas and nuclear technologies that surround us today. Windmills, solar panels, wood stoves and small hydro dams have been with us for centuries. Now they are just waiting to be put to widespread use.

On May 3, 1978, there will be a national celebration of the world's only inexhaustible, predictable, egalitarian, non-polluting, safe, terrorist-resistant and free energy source. It will be called Sun Day.

WHY WE NEED THE SUN

Today the United States relies on oil, coal and nuclear power for most of its energy needs. All three energy sources involve massive production, transportation and storage facilities which are vulnerable to massive failures (such as blackouts, meltdowns or terrorism) which could affect millions of people. Moreover, each conventional fuel has major drawbacks:

In 1974, U.S. production of oil declined for the first time. It has been declining ever since. Meanwhile, as we reach the bottom of the oil barrel, the price of oil is climbing steeply. Imports now promise half of all the oil used in the United States.

Although the U.S. has plenty of coal, deep mining is very dangerous, strip mining ruins the environment, and burning coal pollutes the air. In fact, the National Academy of Sciences recently concluded that carbon dioxide from burning coal could create severe climatic changes around the world.

Nuclear power is so complex and dangerous that each 1000-megawatt plant now costs more than \$1 billion to build. In fact, the utilities themselves are having second thoughts about nuclear power, and orders for new reactors have dropped off to only one or two per year. Meanwhile, more than 100 million gallons of nuclear waste are being stored in temporary federal facilities while scientists frantically search for ways to safely dispose of the radioactive material.

WHAT THE SUN CAN DO

In Atascadero, California, a designer has built a “sky-therm” house. Using bags of water on the roof and movable slabs of insulation, he can heat the house in the winter and cool it in the summer using only the sun.

The United Auto Workers Union has installed solar panels to heat the large indoor swimming pool at its conference center near Black Lake, Michigan—one of the most northerly locations in the U.S.

The enterprising residents of a New York City tenement erected a windmill on their roof to provide electricity for hall lights. On windy days the windmill produces enough electricity to send power into Con Edison's system and make the building's electric meter run backwards!

The National Park Service is considering lighting the Lincoln Memorial with solar cells.

In 1976, the Energy Research and Development Administration calculated that using solar power for heat and hot water is cheaper than using electricity in every part of the nation except the Pacific Northwest (where water power is abundant). By 1980, solar power will be cheaper than oil or gas in most regions, too.

WHAT YOU CAN DO ON SUN DAY

In communities all across the country, citizens are making plans to celebrate Sun Day. So far, the Sun Day office has heard about planned solar fairs, conferences, teach-ins, sunrise services and political demonstrations—and the ideas keep coming.

On May 3, 1978, when the sun first hits the U.S., Sun Day activists will be there. A group is planning a celebration on top of Cadillac Mountain in Acadia National Park, Maine. Later in the morning, New Yorkers can enjoy a sunrise concert at the United Nations. Boston and Atlanta are preparing solar fairs, while some folks in Martinsburg, W. Va. are planning a tour of solar homes in the area. Montana citizens are scheduling a traveling energy road show, while Californians will coordinate dozens of events as the sun heads out over the Pacific.

Sun Day can be whatever kind of celebration you want it to be. One person has suggested the world's largest solar clothes dryer—a coast-to-coast clothes line to be set up on May 3. A pro-solar political candidate has suggested that he run as a “favorite sun.” A congressman wants to pass a key piece of solar legislation on Sun Day. And someone suggested that ice cream parlors give away free “Sun Day Sundaes” on May 3rd.

What ideas can you come up with?

SUN DAY BOARD OF DIRECTORS

Roger Blobaum, Heather Booth, Hon. Thomas Bradley, David Brower, Dr. Robert S. Browne, Wilson Clark, Douglas Fraser, Edward Ginzton, Peter Harnik, John A. Harris, IV, Denis Hayes, Hazel Henderson, Hon. James Jeffords.

Lee Johnson, Byron Kennard, Dr. William Klein, Michael McCloskey, Alan McGowan, Richard Munson, Kathleen O'Reilly, Hon. Richard Ottinger, Lola Redford, Dr. Jeremy Stone, Rev. Dr. Julius Walker, Jr., William Winpisinger, Dr. John Yellott.

NEW YORK SUN DAY, MAY 3-6, 1978

The success or failure of Sun Day nationally may in large part rest on the local programs developed for New York. Public awareness of major political issues is always heavily shaped by events occurring in New York, the nerve center of most national news organizations. In no other location can an equivalent combination of public participation, technical, academic and corporate resources, and media interest be assured.

In New York's Sun Day, solar energy will be presented as a vital component of a strategy to save the nation's urban areas. Long-term problems, such as corporate flight, the decline of the inner city, housing decay, unemployment, and rising costs of government all demand new roles for our cities. Solar energy and such related strategies as conservation and resource recovery directly address these problems.

For instance:

They can reduce overall life cycle energy costs for new and old office buildings, schools and homes.

They can provide the basis for new urban-based equipment manufacturing.

They can provide job training opportunities and employment in housing rehabilitation programs.

They can contribute to the solution of waste disposal and pollution problems.

New York's Sun Day will also emphasize the community-based “appropriate technol-

ogy" approaches available in the urban environment.

ORGANIZING SUN DAY IN NEW YORK

Consumer Action Now's Council on Environmental Alternatives conceives of Sun Day as a major "headline" event, attracting the enthusiastic support of government and the major public and private institutions of New York and the surrounding area, as well as thousands of local organizations, small business, community groups and individuals.

By emphasizing the opportunities and potential of solar energy, the Council expects that the scale, sophistication, entertainment and educational value of the event will lay the groundwork, for the first time, for conscious planning of New York's energy future.

SUN DAY EVENTS

Sun Day Center will coordinate interest and activities in solar energy, and present it to the public in programs throughout the metropolitan area. Major projected events, extended throughout the period from Wednesday, May 3 to Saturday, May 6, are outlined below. Needless to say, Sun Day Center will not have the capacity of implementing programs by itself. The Center itself will undertake to organize events No. 1 through 6, and is committed to disseminating information about solar energy and its consumer uses (No. 14). The success of the entire program, however, depends on active participation and the assistance of thousands of people in all communities.

Sun Day Center plans to help groups throughout the metropolitan area with ideas for Sun Day and with organizing. Since putting people together with people is crucial to such an event as Sun Day, the Center will help to provide that service. Anyone interested in getting involved with Sun Day in the New York area should contact Sun Day Center, 355 Lexington Ave., 16th Floor, New York, N.Y. 10017; tel. (212) 697-5050.

1. U.N. Plaza: Morning concert with the expected attendance of international representatives and U.N. Ambassador Andrew Young (schedule permitting).

2. City Hall: Mayoral proclamation of Sun Day, Wednesday, May 3 at noon.

3. Wall Street and Midtown: Teaching seminars for investors, manufacturers, politicians and businessmen on the economic opportunities in solar energy.

4. Old Custom House: Near Battery Park: Four-day show of solar equipment, such as solar heaters, cookers, furnaces, desalinators and power cells, as well as publications, energy-saving and resource-recovery devices. Up to several hundred commercial exhibitors are expected to attend. Organized tours by community groups, citizens' organizations, schools, colleges, and employees of major New York and area corporations will be scheduled. Typical seminars will be held here as well.

5. At a Midtown Auditorium: Continuous program of films slide shows and other information on solar energy.

6. At Midtown or other auditoriums, such as Cooper Union: Thursday and Friday night lectures, debates, teach-ins, with participation by nationally known experts, and the possibility of live broadcast coverage on public service networks.

7. Central Park, Sheep Meadow or Green Lawn: Saturday afternoon public addresses by distinguished individuals on the general topic of solar energy and its relevance to New York City. Other outdoor programs and a central information facility will be at this location.

8. Custom House and Central Park: Consumer solar information center, portable unit at major events, connected to New York Institute of Technology "hotline".

9. Concerts and Ceremonies: Including closing observance on Saturday, with Indian sun dancers, other programs celebrating the sun's benefits. Pete Seeger and the Clearwater

sloop are committed to participation during the four days.

10. Metropolitan area: Tours of existing solar and conservation installations in new and rehabilitated housing and commercial buildings throughout the region. Preparation of literature detailing functions, comparing life cycle costs, and potential savings.

11. Exhibitions: Solar energy-related exhibitions in museums, galleries and schools. Window displays and other informational programs in leading department stores. Special programs for small merchants.

12. Consumer Clearing House: In coordination with other groups, providing for "energy audits" of individual homes. Teaching seminars for the general public on consumer issues in solar energy, appropriate technology, citizen activities, and available equipment.

13. Solar Agenda: Development and publicizing of a legislative and administrative program addressing the entire range of government activities that can encourage solar energy on the city, state and Federal levels.

14. Publications: Preparation of a magazine-format publication describing the basic issues in solar energy, and answering such often-raised objections as cost-benefits, capital sources, storage problems, technological feasibility of solar cells, solar energy's relevance to the cities, and, perhaps most important, directly addressing the myths that solar energy is not feasible in the Northeast, and that it can never become a significant factor in our national energy picture. Sun Day Center is exploring several possibilities for co-production with magazines, and national distribution.

15. Competitions: Arts, architecture, design contests, and awards ceremonies.

SUN DAY CENTER—ORGANIZATIONAL RESPONSIBILITIES

Coordinate activities with the National SUN DAY organization and event, in such areas as scheduling, public relations, fund-raising and policy.

Coordinate technical and informational resources for the New York area.

Relate to community groups, government departments, environmental organizations and businesses involved in New York City arrangements, and work with independent groups throughout the region.

Oversee work of volunteers in SUN DAY subcommittees and assist organizations throughout the tri-state area.

Help to get other independent SUN DAY programs started in area colleges and universities and in other communities in the tri-state region.

Prepare basic informational brochures and other printed and public relations materials.

NEW YORK SUN DAY BOARD OF ADVISORS

Richard Berman, Executive Director, New York State Alliance to Save Energy.

Ellie Bissinger, Executive Vice President, Leberthal & Co., Inc.

Noel Brown, Director, New York Liaison Office of U.S. Environment Programme.

Robert Browne, Director and Board President, Black Economic Research Center.

Ann Coste, President, Rockefeller Family Fund.

Dave DeBusschere, Senior Vice President, Trans-World International.

John DeLorean, President, John Z. DeLorean Corporation.

Fred Dublin, President, Dublin, Mindel, Bloomer Associates.

Ruby Ford, Chairperson, Federation of City-Wide Block Associations.

Lawrence Fraiberg, President, Metromedia Television.

Stanley Gold, Managerial Consultant.

Alan Gussow, artist, environmentalist.

Joan Gussow, Associate Professor and Chair, Program in Nutrition, Teachers College, Columbia University.

Lucy Lemann, Environmentalist.

Richard L. Ottinger, U.S. Representative.

Basil Patterson, President, Institute for Mediation and Conflict Resolution, Deputy Mayor-elect of New York City.

Robert Redford, Actor.

Edwin F. Shelley, Director, Center for Energy Policy and Research, New York Institute of Technology.

FURTHER DEVELOPMENTS ON PUBLIC EMPLOYEE PENSION PLANS

Hon. John E. "Jack" Cunningham

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. CUNNINGHAM. Mr. Speaker, since originally introduced on September 15, 1977, H.R. 9118 has attracted considerable attention from all over the country. It arises as the result of a push on the part of IRS to require reporting and which threatens possible taxation of the investment income of certain State, county, and municipal retirement plans. A suit involving the Massachusetts plan is pending as well as a long-standing court action in Missouri.

Mr. Speaker, recently representatives of many respected public interest groups met with Commissioner Kurtz of the IRS, Assistant Commissioner Lurie, and other representatives in order to beg them to postpone the December 31 filing date for State and local governments for 1975 and 1976. The groups' arguments of constitutional problems and needless paperwork burden may have fallen on deaf ears from the bureaucracy, which seems intent on insinuating itself into State and local matters. If the December 31 deadline is not suspended, there is an even greater need to qualify once and for all public employee retirement plans for tax exemption by legislation.

The threat is clear and present. That is why many Members have already joined me in cosponsoring H.R. 9118. There will be a more concerted legislative push in 1978. Senator Dick Stone of Florida will push for public hearings in the Senate Finance Committee. For the reporting requirements were announced via a press release from the IRS without the usual hearings and public comment period subsequent to publication in the Federal Register.

My bill is identical to that of Senator Stone. I will seek further co-sponsors as time goes along. In the meantime, I am pleased to be joined by a growing group of Members of both parties concerned about this imminent threat.

Their commitment to federalism and fiscal responsibility of the pension plans has brought their cosponsorship. An aide to Assistant Commissioner Lurie indicated that the IRS would bull its way ahead because there had been no congressional action. None the Stone-Cunningham bill and reports from the Pension Task Force of the gentleman from Pennsylvania (Mr. DENT) are all that stands in the way of the IRS invading another area which should be taboo to Federal meddling.

Today, I have added the gentleman from Missouri (Mr. TAYLOR) and the gentleman from Utah (Mr. MARRIOTT) to the list of cosponsors. Working with such organizations as the National Governors'

Conference, Municipal Finance Officers Association, National Association of Towns and Townships, International Personnel Association, National Association of Counties, National League of Cities, National School Boards Association and other interested public sector and employee-representative groups, I believe that Congress can once again establish the intent of this body before and after the passage of ERISA, that public employee retirement programs should not be required to report to IRS nor should they be taxed.

**TV GUIDE: EXCELLENT
COMMENTATOR**

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. DORNAN. Mr. Speaker, during the last few months I have inserted in the CONGRESSIONAL RECORD several TV Guide editorials. Each has struck me as being incisive, objective, and illuminating—qualities one rarely associates with the medium referred to in its masthead.

Three of the most recent issues contain editorials well worth the attention of my colleagues. I ask that they be entered in the RECORD today.

The first, "American Pacifism, Soviet Aggression," by Norman Podhoretz appeared in the October 22 issues. In his article, Mr. Podhoretz expressed his concern about the several legacies of the Vietnam war which are evident and—should one say—overplayed in the news media. The legacies of the war are in the form of national revulsions: Revulsion against any war, just or unjust; revulsion against America herself and specifically the measures her Military Establishment uses to protect her; and revulsion against anticommunism and those who warn of the aggressive expansion of the Soviet war machine. Mr. Podhoretz ends by drawing some interesting and frightening comparisons between this growing revulsion against American strength and the same phenomenon which was found in England in the 1930's.

The following week, the TV Guide editorial was an article by Patrick Buchanan entitled, "Does Public TV Deserve Another Billion Dollars?" While giving the excellent public TV programs their due, Mr. Buchanan asks many of the old, but still unanswered questions about public TV as well as the new and disturbing ones. Is a billion dollars poured into public TV by a Government running \$60 billion in debt really a wise expenditure? Should the average American who prefers "Kojak" and football be required to subsidize the select few who prefer "Rigoletto"? Why should conservatives on Capitol Hill vote another dime for a medium whose public affairs division is owned and operated by avowed political liberals? Why should the Government—in the guise of competition—attempt to fight the commercial network monopolies with a taxpayer-financed monopoly, insulated from the elected representatives of the American people? Mr. Buchanan's answer to these

questions is clear-sighted and logical—two reasons why it will probably be ignored when it comes time to vote on that billion dollar request.

Finally, on November 5, the incomparable Edith Efron took to the pages of TV Guide to report on the facts and foibles of the news coverage of the Concorde landing at JFK. "The Arrival of the Concorde: A Comedy" used deft humor to expose the sham of the public outcry against the landing and the New York press which covered it. "The People"—as opposed to the people—Efron points out were nearly reduced to sputtering rage when the Concorde failed to live up to its prediction of "mind-shattering" noise. The "piously fraudulent" environmentalists were exposed as mythmongers and the New York TV press was not amused. According to Efron's interpretation, the reality of the landing simply did not mesh with the preprogrammed scripts.

Again, thank you, thank you, thank you, TV Guide editors for the superb "Newswatch" section. It rings as loudly and clearly as history tells us the Liberty Bell once tolled:

**NEWS WATCH—AMERICAN PACIFISM,
SOVIET AGGRESSION**

(By Norman Podhoretz)

The single greatest difference between watching the news on television these days and watching it a few years ago is that Vietnam has disappeared from its nightly slot on the screen. And yet if one looks closely, one can detect the ghostly presence of that war hovering behind the attitudes that shape the way other events are treated. These attitudes are the legacy of our defeat and humiliation in Vietnam. In one form or another they now permeate every area of American culture—newspapers, magazines, movies, plays and novels. But it is probably through watching the news on television that more people encounter them more frequently and more directly than anywhere else.

The most obvious of these attitudes is a revulsion against war in general that is so intense and so undifferentiated that it can only be called pacifist. Whenever war or the prospect of war is mentioned, the assumption is that nothing worse could possibly occur to a nation—any nation, but especially the United States. War now seems to be regarded as the greatest of all imaginable evils: there is never anything good to be said about it and no objective that can justify it.

The second legacy of Vietnam is a revulsion against America itself. This feeling is more subtly expressed than the naked anti-Americanism that emerged on the radical Left in the latter part of the '60s. Nevertheless it is there. We find it, for example, in the impression so often conveyed by TV coverage of issues like the B-1 bomber or the defense budget that the main obstacle to disarmament is the American military establishment—as though the Soviet Union were not engaged in the most massive military buildup in history, and as though all that were needed to end the "arms race" is unilateral "restraint" by the United States. In similar fashion, we usually get the impression from coverage of the energy crisis of the problems of the Third World that the underlying cause is the greed of Americans in consuming more than their "fair share" of resources—as though we did not produce more wealth than we consume and as though a voluntary reduction in the American standard of living (a kind of unilateral economic disarmament) could eliminate scarcity and hunger everywhere else in the world.

Finally, Vietnam has left us with a legacy of revulsion against anti-Communism.

Since President Carter himself has congratulated the country on having overcome the "inordinate fear of Communism" that allegedly got into so much trouble in the past, it is not surprising that this feeling should be reflected in television's coverage of such phenomena as Soviet expansionism and the growing power of Communism in Western Europe. Rarely is any alarm sounded over the unprecedented dimensions of the Soviet military buildup, or over Soviet maneuvers in Africa and elsewhere aimed at controlling the sea lanes vital to the commerce of the entire West. Nor is there much evidence of anxiety over the threat both to NATO and to democracy posed by the possible entry of Communist parties into the governments of Italy and France.

What is so striking about these attitudes is their uncanny resemblance to the sentiments and ideas that became prevalent in British culture in the aftermath of World War I—an experience that acted on the British in much the same way as Vietnam has acted on us. Thus pacifism became so fashionable in England in the '20s and '30s that thousands of British undergraduates took the so-called Oxford pledge never to fight "for King and country." Hostility to their own society was also widespread among the English of that period. England was stigmatized as a wicked country for having senselessly sent the flower of its youth to the slaughter, and it was also attacked as a doomed society resting on obsolete, if not indeed illegitimate, social, political and economic foundations. As for the threat posed by the burgeoning military might and aggressiveness of Nazi Germany, it was dismissed as the fantasy of a few hysterical demagogues like Winston Churchill. (Churchill even had trouble getting onto the radio to sound his warnings against the German buildup, since the officials or the BBC did not wish to disrupt Anglo-German relations by putting such a prominent "warmonger" on the air.)

Churchill later called World War II "the unnecessary war," because it could have been averted if the democracies had taken a strong stand against Hitler instead of appeasing him until it was too late to do anything but surrender or go to war. But in retrospect it seems clear that appeasement was made inevitable by the pervasive influence among the English of pacifist hostility to their own society and a relaxed view of Hitler's aggressive designs.

Is the same thing happening today in the United States with respect to the Soviet Union? Brezhnev, for one, evidently thinks so. A few years ago, in a speech to which, incredibly, neither the networks nor the newspapers gave any play, the Soviet leader predicted that under cover of "detente" his country would achieve a clear military superiority over the United States by the mid-1980s. At that point the Soviets could presumably impose their will on us merely by threatening to unleash a nuclear war. They could do this because (as Richard Pipes of Harvard's Russian Research Center has demonstrated in a definitive study of Soviet military doctrine) they believe that, given such superiority, they could fight, survive and win a nuclear war.

Thus we may well be heading toward an apocalyptic moment when the Russians will confront us with the equally impossible alternatives of surrender or a nuclear holocaust. If that moment should ever come, the attitudes toward war, toward America and toward the Communist world bequeathed to us by Vietnam and being spread by television—along with all the other media—will have played a major part in creating the conditions for its arrival.

DOES PUBLIC TV DESERVE ANOTHER BILLION DOLLARS?

(By Patrick Buchanan)

Dick Cavett's recent premiere on public television was a "tame and pussyfooted"

performance wherein the host behaved like a "tillated puppy dog" before Sophia Loren and Marcello Mastroianni. That was Washington Post critic Tom Shales' verdict on opening night for the ingratulating little fellow he suggests may be the "Great Short Hope" of public television.

Well, after watching similarly saccharine performances with two ballet dancers, I have my doubts about the durability of Mr. Cavett. Put on waivers years ago by the networks, does he really embody what E.B. White envisioned when he wrote the Carnegie Commission that, "Noncommercial television should address itself to the ideal of excellence, not the idea of acceptability. . . ." Or is Cavett redundant—another talking head among the dozen one finds on local and national, commercial and public, television?

With Jimmy Carter having just recommended a billion in tax dollars for public television (over a five-year period), the Cavett show raises questions that are old and unanswered—as well as new and disturbing ones.

Certainly, it would be unfair to assess the considerable output of public television on the basis of a single show. There are children's shows, documentaries, entertainment shows and public-affairs programs on PTV that are the equal or superior of what is to be found on the networks.

No network show, for example, nightly duplicates the in-depth issue studies done by *The MacNeil/Lehrer Report*, a public-affairs program where both correspondents do a professional probing of questions, to bring out conflicting views on controversial issues of national moment.

Likewise, Louis Rukeyser's *Wall Street Week* is one of a kind. Witty, irreverent, knowledgeable, Rukeyser and his colleagues weekly probe an industry in which 25,000,000 Americans have a direct investment. Two weeks ago, in his opening monologue, Rukeyser picked apart with logic and humor the President's assault on the oil industry.

And the same evening Cavett's show opened, Ch. 26 in Washington ran a moving documentary about the Irish in America, from the potato famine to the Inauguration of JFK—titled "Clear Day, See Boston."

Yet, while fairness dictates that one praise what is done well by public TV, the sudden specter of a billion in new tax dollars poured into public TV over the next five years by a Government running \$60 billion in the red raises serious questions.

First, the children's shows aside, the audience for public television remains tiny and select. Should the working class, which prefers to watch the Redskins and *Kojak*, be required to subsidize a Penthouse Proletariat that wants to follow the progress of Lady Glencora and the Duke of Omnium? Should a national television audience that has already indicated its preference for Johnny Carson, Merv Griffin and Mike Douglas be required to subsidize a "Fourth Network" that provides a posh new home for Dick Cavett? Is not public television a little like a cargo preference act for the cultural elite?

Second, William Buckley aside, there are as many political conservatives prominent in public television as there are blacks on the board of admissions of the Chevy Chase Club. Unless and until the conservatives on Capitol Hill can hear more than a feeble echo of their own opinion on public television, why should they vote another dime for a medium whose public-affairs division is owned and operated by political liberals?

Third, there is a real question of social justice involved. Some \$250 million of that billion is to be spent for the development of new programming. What this translates into is the subsidization, by the average taxpayer, of journalists, directors, producers, performers and PTV executives—some of whom earn annually more than the Secretary of State.

Henry Loomis at the Corporation for Public Broadcasting has two deputies who earn more than \$60,000.

Fourth, one has to ask the fundamental question again: is public affairs on public television really necessary? The Nation is inundated in newsletters, newspapers, books, magazines, all-news radio programs, local and network news shows and documentaries to the point where even the most devout "media freak" cannot keep track of public events. If Government should continue and increase the subsidy to public affairs on television, why not have Government go the whole hog, and subsidize its own newspapers as well?

Finally, there is something ominous about the haste with which Mr. Carter's agent, Barry Jagoda, has been pushing for this sudden infusion of public funds for PTV. In his three-part series in *TV GUIDE*, Neil Hickey quoted a member of CPB, who seemed to go to the heart of the matter.

"There's only one essential issue in all of this: whose hand will be on the throttle of American public television—the stations' or a Government-supported agency's? The winner will have a direct line to the best minds in the Nation. Those are the people who watch public television. And that's real power."

And what would the honchos of PTV, the good friends of Mr. Jagoda, do if they had all that power, thanks to Mr. Carter? Here is a comment made by Mr. Larry Grossman of PBS to the newsletter *The Media Report*:

"Anybody who is functioning in broadcasting who is involved in public service in some way has a duty to be a social engineer." Mr. Grossman suggested, on *The MacNeil/Lehrer Report*, that to do the job right, a billion a year would be a more suitable taxpayers' contribution. (Emphasis added.)

My own feeling is that it would be going from the frying pan to the fire to attempt to fight the commercial network monopolies with a taxpayer-financed monopoly, insulated from the elected representatives of the American people. In terms of budget, PTV should be put into a permanent fixed-orbit holding pattern until private enterprise—via cable, pay-TV, video cassettes, etc.—arrives in numbers and strength to break the monopolies and bring the variety now missing in commercial television.

THE ARRIVAL OF THE CONCORDE: A TV COMEDY (By Edith Efron)

It is so rare that TV news offers us a hilarious running story that when it occurs, one must herald it with joy. And when the coverage generates not only glee but valuable social insights, it merits a special place in the critical archives of "News Watch." The events took place in New York City, the national press and the networks have covered the "bottom line" of the story, but you don't fully know what happened unless you saw the local coverage on New York TV. Here's a composite view of what I saw on five stations.

First, the dramatic personae, then the issue. Those involved were a group of environmentalists, many living near the Kennedy International Airport, who call themselves "The People"—which, as we all know, is not the same thing as the people. The issue was the landing at Kennedy of the Concorde, the French-British supersonic jet. "The People" had taken exception to that landing on the grounds that the Concorde emitted ear-splitting, mind-shattering noise and was, therefore, an environmental threat to hearing and psychic well-being. Because, in New York, the press, politicians and judges believe devoutly in the edicts of "The People," the landing of the Concorde had been banned for 19 months.

Then, through various legal processes, the ban was challenged, and the giddy TV coverage started. The TV reporters rushed, as always, to "The People" for their opinion. "The

People" spurned the very notion of re-examining the issue and announced a mass demonstration that would paralyze Kennedy Airport. We of the people tuned in excitedly to see "The People" flex their civic muscles. Naturally, the TV cameras were there to record the high drama. Only it turned into low comedy. Just a few hundred souls showed up and Kennedy wasn't paralyzed. The skimpy size of "The People" humiliated the leaders, but they bravely surmounted their shame and declared they would fight to the end to save New York from the ear-splitting, mind-shattering Concorde.

Next, the Supreme Court made a decision. The Concorde, the Court said, could land, and an actual test would be conducted to see how appalling the ear-splitting, mind-shattering etc. really was. Again, the TV reporters rushed to "The People" to register their views. "The People" were deeply angry that the Supreme Court had dared to flout their will. Action, their leaders warned ominously, would be taken. The TV reporters also put film on the air so we could see the French environmentalists, who call themselves "Le People," inveighing similarly against the Concorde. "Le People," like "The People," were outraged. Neither, for some odd reason, showed pleasure over the forthcoming test, which presumably would validate their charges.

Finally came the fateful day of the test. And all New York dropped what it was doing to watch the evening news to see, and hear, the Concorde land. We of the people leaned forward tensely before our sets as the exquisite supersonic plane glided in from the skies. But something had gone awry. Where was the ear-splitting, mind-shattering etc.? All we heard was the familiar drone-whoosh of a plane. According to the actual decibel count, the reporters told us, the supersonic Concorde had made less noise than some subsonic jets. The Concorde was well under the legal noise limit.

Again, the reporters rushed to "The People" for comment. They, of course, had been waiting near Kennedy to issue nationwide statements about the intolerable ear-splitting etc. Were they relieved and happy to learn that no threat to health and sanity existed after all? Not on your life. They were furious. The Concorde had cheated, they cried. It had flown in by an unanticipated route. It wasn't fair. One young member of "The People" told a reporter that she, for one, was going to keep her hands clapped tight over her ears to avoid the dread deafness. The reporter informed her that the plane had already landed. The "People"-person sputtered, then quickly dropped the subject of deafness and laced into the Concorde as an air polluter. Others of "The People" also switched rationalizations. The Concorde, they said, was ugly. It was a plane for the rich. A few diehards stuck to their guns and proclaimed the plane deafening.

There was still hope, of course, that a dread health hazard could be proved. The next day the Concorde would take off from Kennedy, and, the reporters assured us, take-offs are much louder than landings. So the next day, too, we of the people tuned in breathlessly, again preparing for ear-splitting, mind-shattering etc. We watched the Concorde glide back into the skies. And again all we heard was that familiar drone-whoosh. Even on taking off, the Concorde, we learned, still made less noise than many of the subsonic jets. By now "The People" were in acute psychic disarray—something like the Judgment Day cults who climb the mountain to greet the end of the world only to find, at dawn, that the world is still there. And this time the reporters actually put some people (as opposed to "The People") on the air. And the people were laughing and laughing. And so was I. And broad smiles wreathed the faces of the French and British officials who had known all along that the Concorde's

sinister reputation had been manufactured by "Le Peuple" and "The People." It was a lovely moment. Reason had routed the primitive machine-haters. Truth had trounced falsehood. Innocence had been avenged. It had been a monumentally amusing TV play.

It also permitted two observations about the New York TV press. First, the reporters did not account for their past fables about the Concorde's demonic noise. Nor did they acknowledge that they had just uncovered a transatlantic ideological racket, in which the environmentalists had simply made up facts. And second, not one of the TV reporters that I saw laughed. Even at the height of the absurd series of anti-climaxes, they didn't crack a smile. This was passing strange, since these were "happy news" types who customarily punctuate coverage with snickers, giggles and guffaws. But not this time. The New York environmentalists had been unmasked as myth-mongers, and the TV press was not amused.

One can only conclude that the reporters couldn't laugh, and couldn't identify a technophobic racket because they were part of it—or intimidated by it. Nonetheless, the television coverage caught the environmentalists' power struggle in all its paranoid religious, piously fraudulent, pseudodemocratic nuances. It was Grade-A political instruction, as well as comedy, and it's a shame the whole country didn't see it.

MR. EMERSON STREET

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. MINETA. Mr. Speaker, it is with great pleasure that I rise today to honor one of Santa Clara County's great labor leaders, Mr. Emerson Street.

Emerson's involvement in labor issues began in 1956, when he coordinated an effort opposing a California proposition which he felt would be detrimental to the California worker. In 1960, he became the business representative for the central labor council, a position he has held ever since.

However, Emerson has been a leader not only in the labor community but in all aspects of community life as well. For many years, he worked with others to establish a liaison, between labor and business and has been an active participant in United Way. He has been a unifier of the people, a man able to work with all of the people.

On Thursday, December 22, 1977, the Central Labor Council of Santa Clara County is hosting a recognition luncheon for Emerson to honor him for his many years of hard work and devotion.

All of us in Santa Clara County will be sorry to see Emerson retire. He has worked very hard over the years to insure that working people get a fair shake; that justice for all becomes a reality and not a myth; that is a community working together we can achieve great things.

Mr. Speaker, with this in mind, I ask you and all other colleagues in the House of Representatives to join me in honoring Emerson Street and say thank you for all his years of dedication and community services.

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FLOYD HINCKLEY: FAIR OR FOUL

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. CONTE. Mr. Speaker, I was recently saddened to learn of the death of a good friend, Floyd Hinckley of Campbell, Calif., a native of my hometown of Pittsfield, Mass. Upon his passing, a tribute to his memory by Sports Editor Roger O'Gara was published in the Berkshire Eagle.

The article is an excellent piece capturing the character and capsulizing some of the many accomplishments of Mr. Hinckley at the prime of his athletic career. At this time, I would like to insert this fine column into the RECORD and extend my deep condolences to Mr. Hinckley's family:

FLOYD HINCKLEY: FAIR OR FOUL

(By Roger O'Gara)

"The greatest college catcher I ever saw." That was the high praise paid by a scout for the Pittsburgh Pirates to my close friend, Floyd Hinckley, dead at 62 in Campbell, Calif., of cancer of the lymph glands. The tribute was made late on the afternoon of May 30, 1938, shortly after Hink had pegged out six out of six would-be Harvard base stealers in a 15-inning game with Brown at Providence, R.I.

Floyd was one of the greatest all-around athletes in Pittsfield High history and a semipro star of the first magnitude. In addition, he was a fine guy, highly intelligent, very competitive, decidedly aggressive, and a great friend with much warmth.

We go back a long time together. We were buddies in the early Morningside years. Even though he has been living in California since 1946, we have kept in touch through the mails. He managed to visit a few times in recent years, but on each occasion it was all too brief. He was the best man at my wedding in November of 1937, and he was the first out-of-town caller the day my dear wife Lucille died.

The Pirate scout made his great assessment of Floyd to Jack Kelleher, the Brown coach. He was explaining to Jack why he wouldn't talk to Floyd, even though he was a senior. He condemned Brown and other schools for requiring athletes like Floyd to play football in return for his scholarship.

"I know his knees," the scout said. "That's why I won't talk to him."

Floyd's knees were damaged beyond repair by his play in football. He was an end on the Brown varsity teams of 1935 and 1936, but was excused from play in 1937, his senior year, because the knees were so bad.

Floyd was one of the finest catchers ever to put on a Pittsfield High uniform. When you mentioned him, you put him in such company as Howie Storie and Earl Turner, both of whom went on to play in the major leagues.

And when you spoke of him as a football end, you listed him with Andy Corrinet, Bud Progers, Al Lavelle, Billy Flynn, Don Morehead, and Joe Zavataro.

He loved baseball from the time he was a fourth-grader at Rice School. He was the catcher on the school's midget team, which numbered among others pitcher Eddie Hickey and shortstop Roger O'Gara.

In later years, he and Hickey combined their talents as the sound-alike battery at Pittsfield High. They went their separate ways after that, Hickey to Colgate, Hinckley to Wilbraham Academy and Brown. But they were re-united in 1934 and 1935, when both

played for Garrett F. Troy and his Troy's Garage team at West Stockbridge.

Floyd was a left-handed batter, and a good one. He led Troy's in batting with a lofty average of .420 in 1935. His teammates on that club were Roy Bruninghaus, Bingo Scherben, Eddie Moriarty, Bill Wise, Gene Sullivan, Bill Moge, Hickey, Joe Woltoski, Gig Forrest, Billy Gorman, Lou Shapiro and Irv Siegel.

Floyd didn't play basketball at Pittsfield High, but he competed with distinction in the sport for the Morningside All-Stars and at Wilbraham.

His football coach at PHS was Chuck Stewart. Chuck used him sparingly as a junior in the fall of 1931, because he said in later years Floyd wasn't using his hands properly. But he finally mastered the trick of employing the hands in the fall of 1932, and ended up on John Flynn's All-Berkshire team. I hitchhiked home from Bucknell University to watch him play against St. Joseph's Thanksgiving Day that year.

I'll never forget an incident in the Pittsfield High-Drury High baseball game at North Adams in 1931. The Drury shortstop barreled into me at second base as he tried to take an extra base on the throw to the plate following his single.

I was playing second base by this time, because they had caught up with my weak arm. I cut over to take Hink's throw. The peg and the Drury runner arrived at the same time, and the Drury man crashed into me, knocking me out into short left field. But dazed as I was, I held the ball, and he was out.

Hink led off the next inning with a single. With Eddie Hickey at bat, he took off for second base. Coach Stewart couldn't believe he was running on his own without a sign, because Hink wasn't one of our fastest runners.

The throw by the Drury catcher arrived well in advance of Hink. He should have been out easily, but he tore into the shortstop, and inflicted a bad spike wound in that man's leg. The shortstop dropped the ball, and Hink was safe.

Hickey singled to score Floyd, and Coach Stewart greeted him at home plate.

"What were you thinking of, running without a signal on?" he asked.

Hink looked him straight in the eye. "He dirtied Ogle," he explained.

After graduating from Brown, where he was class president his senior year, he became Remington-Rand Company's youngest manager in history at Hartford.

World War II came along, and he enlisted in the Marine Corps, in which he served most of his time in California. He liked the state so much, he settled there after peace was declared.

He worked the greater part of the last 30 years for the Lockheed Aircraft Corporation. He was on the verge of retirement when the dread disease struck.

I also recall his assessment of Garrett Troy shortly before the Garagemen went forth to meet the Philadelphia Athletics in 1935.

Troy gathered his men around him and said, "Look, fellows, you're playing the Philadelphia Athletics today. I've done some checking on them. They're in last place in the American League. I expect you to beat them."

Hink wore a big smile when he came over to me in the dugout. He leaned over and whispered, "This guy is nuts."

Hink was the baby of his family.

His mother, a lifelong friend of mine, still is living in Centerville in her late 80s. He has a brother, Lolly of Lenox and two sisters, Mrs. William Sinacori of Lenox and Mrs. Herbert Stutz of Centerville.

We extend heartfelt sympathy to all.

We also offer condolences to his wife, Lindy, and his son, Steve, a fair right-handed pitcher for San Jose State a few years ago. Hink was proud of Steve. He had great hopes

for the boy, but couldn't get the pros interested in him.

Hink was also a teammate of mine on the PHS debating team. He would be the first to argue the merits of this column, but he would be wrong.

WE HAVE AGAIN STUDIED THE TREATY: WE STILL SAY "NO"

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. McDONALD. Mr. Speaker, the commander of the American Legion, Mr. Robert Charles Smith, in his commander's message of December for the organization's monthly magazine, reiterated the American Legion's continued opposition to the proposed Panama Canal treaty. He is correct that the treaty should be rejected. It is not acceptable to the American people as the polls continue to indicate. The so-called understandings issued by President Carter and General Torrijos have no legal standing. I commend Commander Smith's message to the attention of my colleagues.

WE HAVE AGAIN STUDIED THE TREATY; WE STILL SAY "NO"

Why is the American Legion so vehement in its opposition to the Panama Canal Treaty? Does it want to alienate all of Latin America? Does it want to invite sabotage against the canal? Does it really believe the canal is still vital to U.S. security?

The questions have dogged me in my first months as your national commander. I believe I should use this forum to reply so every American Legion member understands our position before Senate debate.

First, our opposition is directed at the treaty, not at the people of Panama. The American Legion has consistently supported fair and equitable payments to Panama for the canal, generous social and material assistance for its people and constant modernization of the canal for the economic and military well-being of the entire Western Hemisphere.

Debaters avoid these economic and security factors.

Isn't it disturbing that although this treaty has been negotiated by four U.S. administrations, the text was not made public until the eve of the gala signing ceremony at the White House? We were treated to a spectacle in which virtually every hemisphere chief of state signed a protocol for a treaty they had not read!

Subsequently, it became apparent that Washington and Panama City did not even agree what the text meant. Worse, the controversy has centered on circumstances under which the United States could exercise its military might to protect the canal and the hemisphere. President Carter and President Torrijos finally met and announced that they agreed on the interpretation of the treaty's vague language—but they did not clarify the language in the treaty.

"An understanding" between two heads of state is fine, but it lacks the force of law. What happens when Mr. Carter and/or Gen. Torrijos have left office? The American Legion does not believe such questions should rest on a reed called "understanding."

In 1975 alone, 14,000 ships transited the canal. Forty-five per cent of these voyages originated in the United States. These ships

were loaded with the agricultural and manufactured exports vital to our balance of trade and payments. Any increase in tolls by Panama could have devastating effect on the world market position of the American farmer, laborer, businessman. The Mississippi Valley, Plain States and the east coast are vulnerable.

Should the canal ever be closed to U.S. ships, the Commerce Department estimates a \$932 million jump in the price of U.S. exports, a \$583 million jump in the price of imports. The impact would be chaotic.

On military issues there have been honest differences of opinion between highly qualified men who have debated the importance of the canal, but none has denied that loss of the canal in a time of emergency could be disastrous. Yet the very provisions of the treaty that are supposed to guarantee our right of intervention are those that cause anguish among left-wing Panamanians.

It's true that our biggest aircraft carriers cannot transit the canal. But 95 percent of U.S. fighting ships can, including powerful nuclear forces. There's a lot more to the Navy than its giant flattops.

And what about Panama, this government headed by Gen. Torrijos?

His friendship with Castro is disquieting. His henchmen and propagandists have flayed the United States for years with phoney "colonialism" charges. Yet who has advertised the human rights survey of Panama by the respected Freedom House? That survey ranks Panama as the most dictatorial regime in the Hemisphere.

When Torrijos seized power in Panama in 1968, the country had a debt of \$167 million. Today it owes over \$1.5 billion and there has been precious little improvement in the lot of the average Panamanian. Under the treaty, the United States—in addition to huge annual payments to Panama—would encourage banks to loan Torrijos another \$300 million.

Faced with all this, we are asked to endorse:

1. Surrender of control over a vital waterway built by American ingenuity and American money on land fairly purchased by the United States.

2. Surrender of all defense rights within 22 years, sooner should Panama exercise full sovereignty.

3. Surrender of U.S. sovereignty over the canal and the Canal Zone and the exposure of the human rights of U.S. citizens to Torrijos' law.

4. Granting veto power to Panama over any potential U.S. plan to build another Atlantic-Pacific canal anywhere in Central America.

5. Acceptance of nebulous language—backed by imprecise personal agreements—that U.S. warships would have priority use of the canal during any emergency.

The American Legion cannot endorse such a treaty. We pray that the Senate shares our fears.

FULL EMPLOYMENT DREAM

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. LAGOMARSINO. Mr. Speaker, the Lompoc Record has cited several good points of concern about the Humphrey-Hawkins full employment bill:

The article follows:

FULL EMPLOYMENT DREAM

The new "full employment" bill has been

endorsed by President Carter and sent to Congress for action.

We call it a "new" bill because it is very similar to the intentions of Congress in 1946 to provide for maximum employment, production and purchasing power. The legislation created no jobs.

And so now, 31 years later, we again have a measure before Congress to do whatever needs to be done to put people to work.

The goal of the bill, called the Humphrey-Hawkins Full Employment Bill, is to reduce unemployment to four percent by 1983 without aggravating inflation. The original measure would have practically commanded the Government to be an employer of last resort. Never mind the cost. Just do it. This command, however, was revised in debate.

Nevertheless, under the new bill to be considered, there is simply no responsible way to guarantee that the current seven percent unemployment rate will be reduced to five percent or four percent or any other percentage by some arbitrary date.

Should the measure succeed, we would be very concerned over future congresses using the bill as justification for creating a lot of expensive make-work jobs at taxpayer expense.

In truth, the only sure path to full employment is a healthy economy. That means keeping inflation under control by avoiding excessive government spending, a ballooning money supply and unwarranted wage and price decisions by labor and management.

FORTY YEARS OF MARRIAGE

HON. RAYMOND F. LEDERER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. LEDERER. Mr. Speaker, it is fitting that I honor Mr. and Mrs. Neil McGeehan on their 40th wedding anniversary.

For over 24 years Neil McGeehan, a Philadelphia police officer, made outstanding and selfless contributions to his community. Because of his selfless efforts, we pause in the business of this House to pay him and his bride of 40 years honor and to record a brief history of their many accomplishments.

Neil and Mary McGeehan were married on January 8, 1938, in St. Columbas Parish at 24th and Lehigh Streets in Philadelphia. Together they have prospered and reared a family of seven children and five grandchildren. This wonderful family is a credit to their love and devotion to each other. Their children are: Connell James, James Richard, Neil Joseph, Elaine Rose, Mary Sheila, Patricia Ann, and Katherine Barbara.

Neil McGeehan was born in Ireland from where he immigrated to the United States during his early twenties. Mary McGeehan, was the daughter of Irish parents who lived in Butte, Mont.

After their marriage, Mr. and Mrs. McGeehan lived at 2821 North Bambrey Street in Philadelphia.

On January 8, 1978, this wonderful couple will be celebrating 40 years of marriage. They will be surrounded by their children, grandchildren, and many old friends.

Mr. Speaker, it is fitting that as the very successful 95th Congress 1st session comes to an end, that we wish Neil and

Mary McGeehan our hope that this anniversary will mark the beginning of many, many more happy years of health and prosperity.

UNIVERSITY OF MICHIGAN
FOOTBALL TEAM

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. PURSELL. Mr. Speaker, the University of Michigan football team will soon be competing in the annual Rose Bowl game in Pasadena, Calif., after winning another Big Ten championship.

The University of Michigan represents the very best aspects of higher education in our country. It is an institution which has been consistently ranked among the finest in both academics and athletics.

Those of us from Michigan take a particular pride in the University of Michigan and our other fine colleges and universities. But I think the balanced standard of excellence demonstrated by the University of Michigan in the classroom and on the playing field can be a source of pride for all of us.

As a means of special recognition for the Michigan football team and Coach "Bo" Schembechler, I would like to bring to the attention of my fellow Members the following article, written by the University of Michigan Sports Information Director Will Perry:

BO'S FOURTH ROSE BOWL TEAM IS
CHARACTERIZED AS MOST TENACIOUS

ANN ARBOR.—Coach Bo Schembechler is taking his fourth team to the Rose Bowl and this 1977 edition, like the other three, has its own personality.

"This is an extremely tenacious team," says Schembechler. "This team has overcome more adversity than any other team I've had in 25 years of coaching."

It is a team that has had to struggle for success. It is also a team that has played brilliantly in games that were of vital importance.

On three successive Saturdays Michigan played undefeated and fifth ranked Texas A & M, undefeated Wisconsin and a strong Michigan State team whose Big Ten schedule did not include Ohio State. The combined score in those three Wolverine victories was Michigan 121, opponents 17.

Defeating Iowa after a confidence damaging loss at Minnesota, defeating Purdue on its grass field after losing there the previous season, then defeating Ohio State in the Big Ten and Rose Bowl showdown were all critical Saturdays. The road to Pasadena was not easy for this Wolverine team.

The offense, which was supposed to carry the load this season as the defensive unit was being rebuilt, was shattered by injuries. The offensive line from the 1977 Rose Bowl team had returned intact, but only guard Mark Donahue and center Walt Downing started every game. Tailback Harlan Huckleby missed two of the last six games and played the other four at half-speed. A freshman, Stanley Edwards, started at Purdue. At times there was no replacement for fullback Russell Davis, the durable junior who led the Wolverines in rushing with 1013 yards and a 4.9 average. He was voted the team's most valuable player.

Rick Leach, also hampered at times by a heel injury, kept the offense moving with 1109 yards passing and 13 touchdown passes that tied a record.

Still, there was an inconsistency that left the offense suspect and forced the defense to mature quickly. It was a Michigan defense that bent, but never broke. It recorded only one shutout (compared with five by its 1976 predecessor), but made the big plays when they were most needed. In the championship showdown with Ohio State, for example, the Buckeyes ran 15 plays within the Michigan 20-yard line and gained one net yard, settling for two field goals.

Ron Simpkins, a 220-pound sophomore who already rates among Michigan's finest linebackers of the last decade, led the defense with a record 158 tackles, 5 fumble recoveries and four pass deflections. All-American outside linebacker John Anderson and strong safety Dwight Hicks are other key members of a defense that allowed just 2.6 yards per rush.

LAWRENCE RUSSELL ELLZEY, A DE-
CEASED FORMER MEMBER OF
THE HOUSE

HON. THAD COCHRAN

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. COCHRAN of Mississippi. Mr. Speaker, it is my sad duty to inform my colleagues in the House of the death of Lawrence Russell Ellzey who formerly served as a distinguished Member of this body.

Russell Ellzey was a resident of Jackson, Miss., where he had lived since 1938. In 1932, he was elected to the House to fill the unexpired term of the late Percy Quinn. He was then reelected for a full term and completed his service in 1935.

Mr. Ellzey had been a distinguished citizen before and after his tenure in the Congress. He was a native of Copiah County, Miss. He served his country in the Armed Forces in World War I, and upon his return home he was elected superintendent of education of Lincoln County. He organized the first consolidated school at New Sight in Lincoln County and was later elected superintendent of Copiah-Lincoln Agriculture High School.

He was instrumental in securing junior college status for what is now Copiah-Lincoln Junior College at Wesson, Miss.

Following his service in the House, he returned to Mississippi where he was engaged in the life insurance business in Jackson. Mr. Ellzey had been very active in the civic and religious life of our community. He was a member of the First Presbyterian Church and was honored by the Jackson Touchdown Club for his efforts in promoting outstanding football players from Mississippi to the Touchdown Hall of Fame.

I take this occasion, Mr. Speaker, to pay tribute to our former Member and convey the regrets and condolences of this House to his wife, the former Edwina Short Hagaman, and the other members of his fine family.

RUBLES THE U.N. CANNOT SPEND

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. CRANE. Mr. Speaker, what does the United Nations Development Program and Albania, Algeria, Bulgaria, Burma, China, Cuba, Czechoslovakia, East Germany, Hungary, New Zealand, Poland, U.S.S.R., and Yugoslavia have in common? Nonconvertible money. It seems that these countries have been paying their contribution to the UNDP in currencies that cannot be utilized in international commerce and are, therefore, only valuable in Communist countries. As is stated in the following article, the UNDP administrators and accountants are being driven up the wall in attempting to find solutions on how to spend this currency which comprises almost half of UNDP holdings:

RUBLES THE U.N. CAN'T SPEND

The fact that money is only useful when you can spend it seems like a feeble truism, but for the UN and its specialized agencies it's a frustrating fact of life that can cut deeply into their effectiveness. For these bodies, whose operating expenses are covered by contributions from UN member nations, are sometimes saddled with the equivalent of millions of dollars they literally can't spend in most of the world—the nonconvertible currencies in which most of the Communist contributions are made.

The ruble and other Communist currencies are useless in international commerce essentially because these nations insist on conducting their trade on a barter basis. In the international sphere, these currencies simply are not permitted to serve the exchange function of money as the West and the rest of the world know it. As a result, Communist contributions can only be spent in transactions with Communist countries.

Nonconvertible currencies create a particularly cruel dilemma for the UN Development Program (UNDP), an agency which provides developing countries with technical assistance purchased with hard currency from the industrialized nations. Rather than buying more of this aid from Communist countries—and dealing with their endless delivery delays and often inferior merchandise—the organization has chosen to let these currencies just pile up, a "solution" which is nonetheless driving UNDP administrators and accountants up the wall.

In fact, of UNDP's total 1976 operating budget of \$523 million, the equivalent of \$38 million consisted of nonconvertible currencies that were worthless to the program. UNDP expects this figure to grow to \$42 million by the end of 1977, largely because instead of spending more of it—as the agency admits it must if it ever hopes to do away with this untidy pile—they spent a good deal less than in 1976. All nonconvertible currencies that can't be spent are held as part of UNDP's \$150 million operational reserve account. This is money UNDP keeps on hand to cushion liquidity crises, like the one that rocked the agency in 1975 (The Interdependent, July/August 1977), but again, this fund is worth \$42 million less than its face value.

Nonconvertible currencies weren't a problem for UNDP before 1970. Until then, the agency was able to convert much of this money back into hard currency by juggling accounts it held in the Soviet Union itself.

This was done despite the fact that the official Soviet airlines and export agency refused to accept UNDP's rubles and insisted on hard cash. But the Soviet Government agreed to credit the organization's Soviet accounts with hard Western currencies equal to what UNDP had paid out in the first place, mainly for airline tickets.

After a while, "The Russians discovered that we were getting away with a lot of conversion that way—maybe 60-70 percent," says UNDP's Huntley G. Anderson. Under a barrage of protests from the Soviets, UNDP had to give up this "reconversion" system. All attempts since then to institute other reforms have failed.

UNDP currently holds nonconvertible money from Albania, Algeria, Bulgaria, Burma, China, Cuba, Czechoslovakia, East Germany, Hungary, New Zealand, Poland, USSR and Yugoslavia. Soviet rubles comprise almost half of the agency's total unusable holdings—though the Soviets and others claim they could be used if only UNDP would contract to spend more in Communist countries where the currencies are worth something. UNDP says they can't do this. It would be discriminatory, preferential treatment, they contend.

Some Western nations are now protesting that the non-convertible currency donors aren't fairly sharing UNDP's costs, since their contributions are useless. They also charge these donors with using UNDP to further their bilateral trade, noting that most of what they give that is used winds up in countries which trade heavily with the Communist nations.

UNDP officials doubt the nonconvertible currency dilemma will soon be solved. "We've gone through this matter a million times," says Anderson, "but we're just going around in circles. Nothing will ever change."

DOMESTIC HONEY INDUSTRY VITAL TO NATIONAL HEALTH

HON. LARRY PRESSLER

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. PRESSLER. Mr. Speaker, today on all the tables in the Members of Congress restaurants is a jar of honey. This honey is from the apiaries of my friend Alvin C. Zietlow of Rapid City. It is natural honey.

The purpose of placing this honey on each table, along with a note crediting the South Dakota honey producers, is to remind Members of Congress and their guests of how important our honey producing industry is. South Dakota is the fourth largest honey producing State in the United States.

Last year I sponsored legislation, along with several of my colleagues, to protect our domestic honey industry against unfair foreign imports of lower quality honey. Also, honey substitutes which are not properly marked abound.

Having myself worked in an apiary, and having kept in close touch with my honey producers, I am convinced that we are destroying our domestic honey industry. If this happens we will lose our capability to produce a wholesome, healthy food—but our environment will also be threatened because bees pollinate plants.

Mr. Speaker, pollination by bees is

essential and without it many crops would not survive. Therefore, I hope as each Member dines today, she or he will be more aware of the problems of our important beekeeping industry.

And I thank Mr. Zietlow and the beekeepers of South Dakota for supplying so many jars of delicious natural honey.

THE LIMITATIONS OF THE PRESENT WHITE HOUSE

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. MICHEL. Mr. Speaker, an editorial in today's Washington Post states that the stalemate on the energy bill can be traced to "limitations of the present White House in dealing with Congress and, for that matter, with the country." The Post further states:

Recent experience suggests that (President Carter's) present staff is not meeting the standard the office requires.

When such statements come from the Republican opposition, Mr. Speaker, perhaps they can be dismissed. But when they come from a newspaper that is most definitely not the Republican Party's favorite organ of opinion, these statements take on a seriousness that the White House can no longer deny. The fact of the matter is that after a year of President Carter's leadership words like "inexperience" and "incompetence" are more and more being heard across the country.

As a partisan I might be supposed to take delight from this. But as an American I take no delight at all. I am worried. I am concerned. I am beginning to think, for the first time, that the level of Carter administration inexperience and incompetence suggested by the Post might just be all too real. And let me assure you—such news is not good for our Nation or the free world. It is one thing to disagree with the White House; it is quite another to begin to suspect that the present White House just is not capable of handling the job. This is what the Post seems to be saying and I wanted to bring it to your attention.

At this time I would like to place in the RECORD, "On Energy, a Grave Defeat," from the Washington Post, Thursday, December 15, 1977:

ON ENERGY, A GRAVE DEFEAT

The stalemate on the energy bill and the agreement to put off the hard decisions until next year are an extremely bad sign. They demonstrate and confirm the limitations of the present White House in dealing with Congress and, for that matter, with the country. As the congressional session ends, the bill will remain stuck in the conference between the House and the Senate—a deeply damaging defeat for Mr. Carter.

The energy bill is not merely another item on the administration's list. It was the President's top priority, launched last spring in an atmosphere of emergency, to address "the greatest challenge our country will face during our lifetimes." The consequences of this defeat will go far beyond mere symbolism.

Since the energy bill includes a series of substantial new taxes, the President's budget for 1978—which goes to Congress in January—will have to be built on much more than the usual amount of guesswork. Because nobody knows what the revenues will be, nobody can draft a tax-cut. But economists inside the administration, as well as outside, agree that it is essential to move quickly on a tax cut to keep the economy growing. Without prompt action on the tax cut, the danger of another recession rises sharply.

To get unemployment down, it's necessary to get business investment up. But the continuing uncertainty over energy policy and energy pricing is a powerful inducement to business to delay a wide range of investments. It's necessary to expect that the stalemate on energy this winter will have an effect on the unemployment rate next summer. The longer the quarrel persists, the greater the impact is likely to be.

Vice President Mondale offered the cheery view the other day that progress is slow on legislation because the White House consults so carefully with Congress—and that consultation is why this session of Congress has been such a success. We understand why Mr. Mondale is saying that sort of thing, but we earnestly hope that he doesn't believe it. A successful session? Mr. Mondale cited things like the economic stimulus and the farm bill. But it is inconceivable that Congress would not have pumped out a lot of public-works money this year or that it would have let the country's basic farm legislation expire. Congress looks on those bills as its own. It has taken care of its own agenda very efficiently. It is Mr. Carter's agenda that has come out second-best.

Over the next few weeks, with Congress out of town, Mr. Carter needs to spend time and careful thought on this year's unhappy experience with the energy bill. He needs to consider the White House's repeated misjudgments of the bill's progress. Recent experience suggests that his present staff is not meeting the standard that the office requires.

But Mr. Carter faces a political dilemma that goes deeper than organization and staffing. It is difficult for a President even to mention in public the most imminent dangers raised by the country's very heavy imports of oil. For example, the oil-production policy of one country alone, Saudi Arabia, is now crucial to the economic stability of the United States, Western Europe and Japan. But presidential discussion of that delicate point only increases the vulnerability of the Saudis, a small nation surrounded by envious neighbors. For another example, the steady outflow of \$45 billion a year on foreign oil tends to depress the American economy, to the considerable extent that the money is not spent here. It is part of the explanation of the high unemployment rate. But Mr. Carter has to be very cautious in talking about the effects of the trade deficit on jobs, because he could easily set off a further surge of protectionism. The President has yet to come to terms with the difficulty of explaining to Americans why it's necessary to cut oil imports. The economists understand the charts and graphs. But the bill is in trouble because most other people simply don't see the point of the exercise.

When Mr. Carter first embarked upon his energy plan, he was evidently under the misapprehension that the important thing was to draft a comprehensive bill. He assumed, perhaps, that the Democrats in Congress, starved for leadership after the Ford and Nixon years, would seize his plan hungrily. In reality, of course, congressional majorities now are more friable than ever. The job description for a President does not call for a planner or designer. What confronts the President is the politician's essential job of creating support and consensus for decisions that—as he correctly believes—the country must

take quickly. He cannot expect a consensus to form automatically around an idea merely because he pronounces it good; a President has to build agreement. But that is the part of his responsibility from which Mr. Carter remains most remote.

SPOKESMAN FOR FARMERS NEEDED IN USDA

HON. EDWARD R. MADIGAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. MADIGAN. Mr. Speaker, in his annual president's address to the Illinois Farm Bureau, on December 1, in St. Louis, Mr. Harold Steele has decried the lack of a farm spokesman in the USDA. Mr. Steele points up a "growing consumer activism within the USDA at the farmers expense." I believe that the views expressed by Mr. Steele in his address mirror the feelings of a great many farmers in this country. Mr. Steele's address follows:

ANNUAL MEETING ADDRESS OF HAROLD B. STEELE

Two hundred years ago, in December, 1777, General George Washington moved his troops to Valley Forge for the winter. We are all familiar with the story of the ordeal suffered by those soldiers who made the ultimate commitment for freedom in their willingness to fight in the American Revolution.

Since the birth of our nation, 201 years ago, we have had numerous revolutions. It could be said that throughout its history, America has been in a constant state of revolution. A few years after the end of the Revolutionary War, in 1793, Eli Whitney invented the cotton gin and it marked the beginning of the industrial revolution in America.

In 1837, a blacksmith from Vermont who had moved to our Prairie State, worked in his shop at Grand Detour, in Ogle County, and developed the steel plow. At about the same time that John Deere was producing his plow, Cyrus McCormick was developing his mechanical reaper. Those two inventions, again, marked the beginning of a revolution... a revolution that is important to all of us because it was the beginning of an American revolution.

In 1866, Samuel Gompers, started and developed the American Federation of Labor. That marked the beginning of the labor revolution in the United States.

My purpose is not to present a history lesson, although we can learn a great deal from our history. It was President Harry Truman who said, "There is nothing new in this world, except for the history you have not learned."

Now, there are those who would bring another form of revolution to agriculture... a group of farmers who are calling for a strike to begin in two weeks. I have met with representatives of the American Agriculture group and found them to be sincere farmers and ranchers, dedicated to a goal with which we can agree, that farmers must receive better prices for their products.

But, as we reflect on the words of President Truman, and study our history lessons, we realize that strikes or withholding actions have never been successfully used to improve farm income.

Calling for a strike in agriculture is an entirely different ballgame than striking in business or industry.

Hogs and cattle keep eating and keep gaining weight.

Planted crops keep growing.

Grain in the bin for an extended period can go out of condition.

Losing a growing season can cost you a full year's income.

Fixed costs for land and equipment means the bills keep coming due after the income has stopped.

Export markets can be lost and perhaps never regained.

The proposal to obtain higher prices, as outlined by the American Agriculture group, would call for strict production controls, allotment certificates, higher prices for consumers and erosion of foreign markets. It is the wrong way to solve the existing farm economic problems.

A better solution is to develop expanded market opportunities, then, if necessary to make appropriate cutbacks in production.

When net returns are in the red, learn to tighten our belts and buy only what's needed. Some, perhaps, many of us have paid too much for land and purchased too much expensive equipment in recent years.

We must sharpen our pencils and make sound management decisions. We need to spend more time in management of the enterprise.

Also, it would be wise to keep in mind the reaction of nonfarmers when they hear farmers talk in terms of striking. Perhaps, we can best judge their reaction by thinking of our own emotions in certain situations. Our reactions... when we see the teaching profession resorting to labor union strike tactics to obtain salary demands... dock workers refusing to load grain going to overseas customers... cannery workers in California leaving their jobs during the harvest season while crops rot in the fields.

Recalling our emotions during those situations may help us realize the reactions of others when they hear reports that farmers may quit producing food.

And we must not ignore the attitudes of those who buy our products. We need to realize that, in fact, we are in the midst of another form of revolution. It is a revolution that is beginning to have an impact on our farming business. It is a consumer revolution and it requires our attention.

If we had to place a date on the beginning of the consumer revolution, I believe we could look back to the mid-1960's when a book appeared entitled, "Unsafe At Any Speed." It was written by a man whose name has since become a household word, Ralph Nader. In his book, he took on the giant automotive industry, General Motors. The first chapter was entitled, "The Sporty Corvair, The One-Car Accident." You also recall the results—the Corvair was taken off the production lines at General Motors. That car has now become a collector's item.

Following the success of his battle with General Motors, Ralph Nader put together a task force which was called, "Nader's Raiders" and began waging other battles with business and industry.

When President Carter took office in January of this year, it soon became obvious that consumerism had moved into the federal government. The October issue of Fortune magazine reports that about 60 of "Nader's Raiders" now hold jobs in the Carter Administration. Fourteen of those Nader disciples are said to be in what are described as "key" positions as assistants of the White House staff.

Efforts continue to expand consumerism in our government. You know of the Consumer Protection Bill, which would establish another government bureaucracy to serve as a watchdog of other government agencies and theoretically represent the consumer in

Washington. The Washington Star Newspaper has referred to the proposal as the "Ralph Nader Appreciation Bill." Supporters of the measure could not muster enough votes for passage in the past session of Congress; but it seems apparent that it will be back before the lawmakers next year and, if in fact it is, we should express our opinions to our elected representatives.

We have seen first-hand examples of how the so-called consumer approach is affecting agriculture. Many of you expressed your concern when the Select Senate Committee on Nutrition and Human Needs, a committee which includes Illinois Senator Charles Percy among its members, issued a report urging Americans to eat less meat and to eat fewer eggs. It was the beginning in what now appears to be an effort in government to dictate diet to the citizens of this nation.

The consumer revolution is now firmly entrenched in the United States Department of Agriculture. An Assistant Secretary of Agriculture, Mrs. Carol Tucker Foreman, was named to her present post after serving as Executive Director of the Consumer Federation of America.

There are many key positions within the U.S.D.A. that are being held by individuals who do not have agricultural backgrounds. The new Administrator of the Agricultural Marketing Service moved to that position from her job with the Equal Employment Opportunity Commission. The Administrator of the Food and Nutrition Service had been the president of a non-profit organization seeking to improve and expand federal food programs. The Assistant Secretary for Rural Development was formerly vice president of the University of New Mexico in charge of community affairs. The Assistant Secretary for Administration was the director of the school of social work at Western Michigan University.

In selecting many of his staff, Secretary of Agriculture Robert Bergland appears to have emphasized consumer interest at the expense of agricultural interest. But, again, to use the slogan of President Harry Truman, "The buck stops here." The same applies to Secretary Bergland regarding his appointments.

Secretary Bergland irritated farmers when he criticized the agricultural marketing system of the United States. He again got our dander up when he was critical of the quality of American grain during discussions with foreign buyers. Farmers are also concerned that decisions on government farm programs are said to be based on "consensus" opinions, involving the State Department, Treasury Department and the Office of Management and Budget and others. The latest program announcement from the U.S.D.A. might best be described as a "standby set aside" for feed grains. It is doubtful if farmers will participate in the program and very likely the proposed set aside will prove effective in helping solve agriculture's economic problems.

Earlier this year, a few weeks before Mrs. Foreman was appointed Assistant Secretary of Agriculture, she was interviewed by "Agriculture" magazine. It was evident she is a highly intelligent, very articulate, and a determined, dedicated person for the consumer cause. She had some interesting things to say in that interview. The magazine quoted her as being at odds with the American National Cattlemen's Association. Mrs. Foreman said, "The cattlemen don't like us at all and I feel the same about them." In discussing former Secretary of Agriculture, Earl Butz, she stated, "I'm frequently opposed to U.S.D.A.'s policies as carried out by Earl Butz. He is an outlaw." This brought on oratorical trench warfare. In the interest of remaining non-partisan, you may recall former Secretary Butz expressed his opinion of Mrs. Foreman. He called her appointment "the ultimate insult to farmers."

Perhaps the key statement made by Mrs. Foreman in that interview was the quote that stated, "My objection to most farm organizations is that every time they take a stand on an issue, it is to represent their members-producers' interest."

I believe it is fundamental to the future of farming that we work together to assure that Farm Bureau is an organization that will continue to represent the producer interest of its members.

In September, Mrs. Foreman was at the IAA Building in Bloomington to speak at an Agricultural Outlook Meeting. She referred to herself as the "consumer advocate" in the Agriculture Department. I think it is appropriate that we ask, "who is the farmer's advocate at the U.S.D.A.?"

Let us review the record of what consumer activism in the U.S.D.A. means to farmers. We are hearing reports that the Agriculture Department is proposing guidelines for the school lunch program. It states that a school lunchroom could serve a student no more than three eggs each week.

Mrs. Foreman has ruled, against the advice of her advisory committee, a committee which incidentally was expanded to include consumer representation, that the meat-packing industry must, within 150 days, prove that bacon can be produced without the formation of nitrosamines. The industry is under the gun and is reducing the amount of nitrates in bacon. The reason—because a German research project showed that if rats were fed such nitrates in vast quantities, they could contract liver tumors. According to research by the National Live Stock and Meat Board what the U.S.D.A. has failed to report is that an individual weighing 154 pounds would have to eat 46,245 pounds of bacon every day of their lives to receive the same dosage that was fed the rats.

It has not been widely reported that rats have not developed tumors when their nitrate dosage was kept at a level corresponding to eating 15,400 pounds of bacon a day. As a pork producer, I would welcome a scientific interpretation of the study that would report "to avoid liver tumors, humans should eat 15,000 pounds of bacon daily." Little mention has been made that the nitrate ingredients are added as a preservative to the bacon to insure the consumers of America a wholesome product of high quality.

Another proposal from the Department of Agriculture states that if mechanical deboning methods are used in preparing processed meats, then on the label, in lettering at least 50% as large as the words identifying the product, it must state, "tissue from ground bone added." Again, the U.S.D.A. is taking a totally unrealistic outlook, ignoring the fact that in any meat cutting process, including slicing prime T-bone steak, some bone chips will be scattered onto the meat product—as they always have been since the meat saw was invented.

If there was ever a case of hunting gnats with an elephant gun, this would have to qualify.

And, it may be that the worst is still to come. Two weeks ago, at an Agricultural Outlook Conference in Washington, Mrs. Foreman stated that the food policy under development by the Carter Administration "may make some people uncomfortable."

She said, "to even begin to develop a food policy, we must first know what persons in various age, sex, racial and ethnic groups, lifestyles and geographic locations need nutritionally for optimal growth and performance and continued well being. We will need not only to increase our knowledge of nutritional requirements—but also to determine what levels and types of production are necessary to meet these needs. This will require an ability to translate nutritional needs into production terms. We should

know, for example, how much wheat and what kinds of wheat should be produced to insure people with adequate levels of B vitamins."

Our paper, in Washington, this may sound like a good plan, but out on the wheat fields it appears to be another case of unrealistic government meddling.

In reality, consumerism is evolving to nothing more than efforts by those in government—call them bureaucrats, professional planners, or what have you—to make decisions regulating how we should live.

They consider themselves intellectuals who know what's best for us.

As a result, our cars buzz for us to fasten the seat belts, trucks and buses make clanging sounds when they move backwards, and our tractors come equipped with roll bars, even if the ground we farm is as flat as the kitchen table.

Each new regulation comes complete with a group of regulators, and, in time, government planners may outnumber those working in the private sector of our economy. At the present time, there is one U.S.D.A. employee for every 34 farmers.

As we look to the future, we ask ourselves in wonder and concern where consumerism may be taking us. I predict the day is coming when the American consumer will rise up and say, "enough of this government bureaucratic approach to consumerism. I want to make my own decisions regarding the clothes I wear, the house I live in, the car I drive and the food I eat." We've seen a beginning of such an attitude in the controversy over the sweetener, saccharin. Most Americans are saying, "That's absurd, I couldn't consume as much saccharin as those laboratory rats, if I tried. Keep it on the market, we want it and need it."

Perhaps, the scientific community is already beginning to take another look at what is really proven with research. According to a recent issue of *The Wall Street Journal*, back in August, two prominent researchers published a letter in the *Journal of the American Medical Association* announcing, "Money Causes Cancer: Ban It."

It seems the scientists had inserted sterilized dimes into the stomachs of rats, and the animals had developed cancer. The point, of course, is there are many things in the environment which can conceivably cause cancer, and under a wide variety of circumstances. Planners should be more careful when banning products.

The irony of the continuing promotion of so-called consumerism is that while the concept is relatively new to many, farmers have been responding to the wants and needs of the consumer since the beginning. We don't produce a product, if we can't sell it in the marketplace. Food production is geared to the message that consumers send us through their pocketbooks as they decide what commodities to buy.

Back when proposals to boycott beef were at their height, you may recall some shoppers were buying horsemeat. I remember an incident when a cattle feeder participating in a Farm Bureau news conference was asked by a reporter, "What would farmers do if the American public started buying horsemeat in large quantities?" He gave a matter of fact answer because he knew homemakers set the pattern for farm production. "I would quite feeding cattle and start feeding horses."

The consumer revolution is not going to go away. As it continues, it is important that farmers be a part of it. We must be aware of what is going on and we must be involved when decisions are made that affect agriculture.

Awareness means knowing your belief and what you support—an example, the Consumer Federation of America. Many believe the organization is one that primarily represents

the interests of labor unions. But when you look at the membership roles, you see they have credit unions, consumer cooperatives, some state and local consumer agencies, consumer action groups, and labor unions. The biggest block of votes, 200 in all, in the Consumer Federation of America is held by rural electric cooperatives, including several in the State of Illinois.

Let me clear the record, that I am not issuing a blanket indictment of consumerism per se, but rather the way consumerism is being promoted by government agencies and others. Consumerism is with us, as part of our lives. We farmers must keep in mind, that because we, too, are consumers, we are shirking our duty and responsibility if we don't participate in the process.

I would challenge each of you to think of those serving on your county board, your board of education, your junior college boards, your state legislators, and members of the House and Senate. Ask yourselves, do the individuals who serve in these capacities represent your point of view? If you find disagreement, follow the same procedures you use in managing your farm. Make necessary changes.

Recent history reveals, I am proud to say, that farm families are becoming more involved in the two-party system and political issues.

In Congressional District 15, the former Congressman was not listening to his farmer constituents. He was given the old #14 scoop shovel treatment or to use modern terminology, he was augered out.

A young man, who grew up on a farm in western Illinois, threw his hat into the ring last year, seeking election to the State Senate. Farm families went to work. They contributed their dollars, put up signs in their fields and worked to get out the vote. Their candidate won, and he has proven to be an outstanding voice for agriculture in the Illinois General Assembly.

Right now, there are several Illinois Farm Bureau leaders who are seeking their party's nomination for the state legislature, for both the House and the Senate. If they measure up, be sure they win.

You recall that one year ago, you the delegates at our convention, said the number one priority of the Illinois Farm Bureau should be to cause legislation to be enacted, that would provide relief from skyrocketing taxes on farmland.

When you took that stand, we all became involved. A team effort was launched. The results were signed into law.

For the farm family of Mom, Dad and the youngsters, it is not enough in today's society to center all of our energies into the management of that farming operation. We must broaden our horizons, to local, state, national and international affairs.

Let me ask you again, "Are you really pleased with your elected officials?" Before you give anyone your vote, ask yourself some tough questions. What are my representatives' attitudes regarding regulatory agencies that impose restrictions on the insecticides and pesticides I must rely on to produce food?

How did my representatives vote on the issue of automatic cost of living salary increases for themselves and millions of public employees?

Where do my representatives stand on the question of international trade agreements that establish artificial price levels and penalize the efficient American farmer?

Does my representative vote for government projects without first voting for the money to pay for them?

What's my representative's attitude toward proposed grain reserves that in the long run would keep a ceiling on farm prices?

If you're not satisfied with the answers to such questions, talk to your fellow Farm

Bureau members who have been active in political campaigns. Determine how to elect strong, conscientious, dedicated individuals as your representatives.

Make sure you, your family and friends are registered voters. Become informed about the candidates. Don't go into the voting booth and be confronted by the names of strangers. Circulate petitions, hand out brochures, put up signs and help get out the vote. Pull out the checkbook and put your money where your philosophy is.

A few weeks ago, a farmer was at a mid-western land-grant college interviewing applicants for a job in his hog operation. The earnest young man asked the farmer, "Do you have an incentive program?" The farmer thought for a second and replied, "Yes, I have an incentive program. If you work real hard, you get to keep your job."

As farmers, we know there is no substitute for hard work. The only job where you can start at the top is digging a post hole.

Farmers have always been known for their willingness to help one another. In the early days of our nation, the tragedy of a barn burning was immediately remedied by all the neighbors. They brought their axes, muscles and craftsmanship and raised a new barn.

Today, the same principle still applies. If a farm family suffers the tragedy of sickness or death, the neighbors gather together simultaneously to plant or harvest the crops.

Farm families know that they are never alone in the face of severe adversity. The neighbors can always be counted upon.

The same is true with the consumer revolution. The farmer doesn't stand alone. We have many allies, not only our neighbors, but in the villages, towns and metropolitan areas—literally millions of allies from all walks of life across the nation.

We, as farmers, must be willing to assume the responsibility of leadership in working with all of our allies in this consumer revolution. We must again be willing to serve as a rallying force to recapture the spirit of the farmers who fired the shot heard round the world in our first revolution.

We must be willing to fight for the preservation of the freedom and independence that has served as the foundation for the success of America's family farms.

U.S.S.R. CONTINUES TO HOLD PENNER FAMILY AS UNWILLING HOSTAGES

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. McDONALD. Mr. Speaker, for the second time this year, I rise to report a continued violation of the Helsinki Agreements by the U.S.S.R. as regards the Penner family. This concerns the continued refusal of the Soviet authorities to permit the Penners to leave the U.S.S.R. and return to the homeland of their ancestors in the Federal Republic of Germany. The family is presently split, in that part of the family was permitted to leave in 1972. At that time, Mr. Jacob Penner and his four children were permitted to leave. For 5 years now the remainder of the family has attempted to join them in West Germany. This consists of Mr. Jacob Penner's mother, father, sister, brother, his brother's wife and their three children, another wife and brother with their five children,

plus a married sister and her husband with their four children. They all reside in Alma Ata in the Kazakhstan area of the U.S.S.R. The Penners applied to leave in 1972, 1973, 1974, and twice in both 1975 and 1976. The last time they applied, they were not even given a reason as to why they could not leave.

Thus, the evidence continues to mount that the Helsinki Agreements are little more than a scrap of paper in the minds of the Politbureau, and the American people should realize this and our Government should act accordingly if Soviet policy does not change.

B-1 AIRCRAFT: THOUGHTS TO KEEP IN MIND

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. DORNAN. Mr. Speaker, today, the Senate is expected to act on this body's decision to fund B-1 aircraft 5 and 6. If they do not agree with the House's wise decision to keep the production lines open, we shall be asked to reconsider our position.

If this happens, I hope that we do reconsider it.

I hope that we reconsider it and reendorse it with an even larger margin than our last vote, 191 to 166.

During our possible reconsideration, it would be prudent for us to ponder these points:

First. President Carter decided to stop the production of the B-1 aircraft in favor of the unproven cruise missile. The cruise missile does not have the benefit of the advanced defensive avionics which the B-1 has and it has not undergone the extensive testing the B-1 has.

Second. Continuing aircraft 5 and 6 production—while it will not provide us with a combat force—will provide us with the time and research and development to be absolutely sure that the cruise missile concept can adequately fulfill the role intended for the B-1.

Third. Giving up the B-1 before the SALT II negotiations have even begun is like showing one's poker hand before the bets have started. The United States has given up the B-1 strategic capability with no like concessions from the Soviets. There has been no talk of curtailing the production of the Soviet "Backfire" bomber. We simply must stop this absolutely inane policy of preemptive concession.

Fourth. From the best accounts, there are still serious questions about the range limitations which will be placed on the cruise missile in the SALT II talks. The full impact of the final agreement cannot be known at this time, but until it is, the B-1 production option should remain open. It is the only prudent course of action that the U.S. Congress can take.

We are dealing with the future of Western civilization as we know it.

POLITICIZING OF THE STATE DEPARTMENT

HON. JOHN T. MYERS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. JOHN T. MYERS. Mr. Speaker, on June 27, I spoke on the floor of this House regarding the apparent "politicizing" of the State Department by the Carter administration. At that time, I noted that 22 of the top 36 career level positions were being filled by political appointments. These political allies of the President were being placed in positions at the expense of experienced career State Department officials.

I also noted that these positions are not highly ambassadorial posts which are traditionally political appointees. I would not be critical of the Carter administration for appointing Democrats to these posts. But what is happening is that many qualified State Department career personnel have been passed over for promotion in favor of these political types.

It now appears that the problem is still very much alive. This past Tuesday, the Washington Star reported that this politicizing still exists and that a former Carter campaign worker has been moved to the U.S. Embassy in Stockholm.

For the benefit of the Members of the House, I will include the text of the Washington Star article and reiterate my hope that the Committee on International Relations will want to investigate this problem:

STATE DEPARTMENT WORKER'S GROUP HITS CARTER STAFFER'S APPOINTMENT

(By Vernon A. Guidry, Jr.)

The appointment of a White House aide to a job in the U.S. embassy at Stockholm has produced sharp criticism from a group of State Department employees already unhappy about limited chances for career advancement.

The criticism comes from a group called September 17, which was created to air the grievances of Foreign Service Staff, a category of State Department employees that includes jobs such as secretary and communications operator. The department's career diplomats are in a different category, that of Foreign Service Officer.

While September 17 complains of a number of what it believes are inappropriate political appointments, the organization's ire has been focused on the Stockholm appointment because a Foreign Service Staff secretary's position was abolished to make room for a reserve Foreign Service Officer position paying \$24,308 annually with the title of staff assistant to the ambassador.

That job went to Caroline Wellons, a well regarded Carter campaign aide who worked for presidential assistant Hamilton Jordan and later for presidential assistant Midge Constanza. Since mid-September Wellons has been assistant to the new U.S. ambassador in Stockholm, Rodney O. Kennedy-Minott, a California professor who was also active in the Carter campaign.

The September 17 organization, which claims 800 members, "welcomed" Wellons to the State Department with a sardonic notice in its December newsletter.

"You landed what is essentially a secretarial position at a level where no career Foreign Service secretary can expect to land—

staff assistant to an ambassador," the news-letter read.

The State Department said in response to an inquiry that Minott would not be entitled to have both a staff assistant and a secretary.

"The ambassador himself requested the position and the incumbent," the department said. "It was the decision of the department to redesignate an existing position from Stockholm's complement."

The department went on to say that "Wellons is an accomplished typist and the ambassador is aware that Miss Wellons will have to perform clerical work in addition to her staff assistant duties."

According to the State Department, non-career ambassadors may be authorized special staff members depending on the size and workload of their mission.

September 17's newsletter said if Wellons was "typing, filing, taking dictation, etc. . . that would make liars out of (State Department administrators) who keep saying that a secretary is just not worth that kind of money no matter what level officer she is working with or what size post she is working in."

As a special assistant to Constanza, Wellons made \$26,636 annually. She left the White House at a time of staff cuts.

"She is one fantastic person," says Constanza, adding that she had nothing to do with getting Wellons the overseas job but would have liked to help.

Constanza said that "reorganization was rearing its ugly head and I had to get rid of four people. Suddenly Caroline came in and said, 'I've been asked to go to Stockholm by the ambassador.' . . . It was such a coincidence."

The State Department employees organization claimed in its newsletter that "unfortunately for career Foreign Service employees, there are other fortunate ones like" Wellons.

This criticism follows closely a bitter attack on the Carter administration voiced at the annual awards presentation of the American Foreign Service Association, a professional association and bargaining agent for both Foreign Service Officers and Foreign Service Staff.

Chairman Lars Hyde told an audience that included presidential national security adviser Zbigniew Brzezinski that the administration was bypassing career diplomats when it filled high government jobs concerned with American foreign policy.

The September 17 organization takes its name from the date of a letter written by a department official sharply curtailing career advancement possibilities for Foreign Service Staff.

EPA THREAT TO STEEL INDUSTRY?

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. ASHBROOK. Mr. Speaker, I am deeply concerned by statements coming out of the Environmental Protection Agency regarding the steel industry. These statements show a basic insensitivity to current industry problems.

Most recently, EPA head, Doug Costle, said in an interview that he considered the steel industry "at or near the top of any list" of "recalcitrant industries." He further stated he is not going to let the steel industry's problems keep him from making steel plants comply with Federal air and water regulations.

In Costle's words:

It (the steel industry) has been among the industries most reluctant to deal with its pollution problems, and we intend to be as tough with it as is necessary to make its plants comply with the law . . . The steel industry today—uncontrolled—is not only an unhealthy place to work, it's a hazard to those who must live near its plants.

I find Costle's words very disturbing. At a time when our domestic steel industry is already experiencing severe economic difficulties it seems ridiculous for the Federal Government to make it even more difficult to survive. Our Nation cannot afford excessive environmentalism.

The EPA should back off its regulatory zeal and give the steel industry a chance to get back on its feet. Otherwise we run the risk of throwing thousands of American steelworkers out of work. This would have a disastrous impact on Ohio and the rest of the Nation.

A REMARKABLE WOMAN— ALVERNA WILLIAMS

HON. DALE MILFORD

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. MILFORD. Mr. Speaker, on Monday evening, November 14, 1977, the citizenry of my hometown, Grand Prairie, Tex., gathered to pay tribute to one of the most fascinating and inspirational people I have ever met—Ms. Alverna Williams.

Virtually, every civic organization was represented at the Soroptimist banquet in her honor, each with their letter of tribute and thanks.

Alverna Williams is an aviator of the caliber of Amelia Earhart. Alverna is a member of Ms. Earhart's international organization of women pilots, the "99's." As a member of the Experimental Aircraft Association, she has designed, built, and continues to fly her own plane. In her custom-built plane, Alverna has competed in the Powder Puff Derby.

Alverna's interests are not contained within the present. Belonging to the Antique Aircraft Association, she has restored vintage airplanes for flight. This year, she was honored by the Smithsonian Institute's National Air and Space Museum in an exhibit depicting the history of general aviation in the United States.

However, Rev. Bob Young, minister of the First United Methodist Church in Grand Prairie, says that Alverna is not satisfied with winning awards and making history. As a devout Christian, Alverna is drawn to those in need and uses her talents to fly voluntary mission trips to the Amazon, Central America, and the Philippines. Often, these areas are inhabited by hostile and cannibalistic natives, but her trust is in God—not guns.

With two children, she has been an integral part of the PTA and has been an

inspiration to young and old alike. If all I have said still leaves you with indifference as to Alverna's accomplishments, I might add that Alverna lost both legs in an automobile accident at 18 months of age.

She relates that she had not fully realized the impact of her peculiar circumstance until adolescence. As a teenager, she attempted and succeeded at many of the outdoor activities her peers enjoyed. For a while, she worked as a motorcycle stunt rider in a traveling show. But again, marveling people or drawing attention to herself was beyond her.

Alverna had a dream. That dream, in the heart of a teenage girl, was to fly. However, that dream was all but shattered when the FAA denied her a license to fly. Their refusal was based on her physical handicap.

Though letters of recommendation from many renowned instructors praised here talents as a pilot, it was years before her application to fly was approved. But in 1945, Alverna became the first physically disabled pilot to receive a license from the Federal Government thus opening the door for handicapped individuals in the field of aviation.

And guess who was on hand at the Soroptimist banquet in her honor—the FAA. The FAA joined us in Grand Prairie in a tribute to a most remarkable woman—a woman who should serve as an example to us all that dreams can come true if you only have the vision.

RELATING TO THE ELIGIBILITY FOR REGISTRATION OF AIR- CRAFT

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. ANDERSON of California. Mr. Speaker, on November 9, 1977, the President signed Public Law 95-163 which amended section 501(b) of the Federal Aviation Act to revise the eligibility requirements for the registration of aircraft in the United States. Since its enactment it has been found that the amendment has a drafting ambiguity which raises substantial legal problems. I have today introduced a bill to cure these problems.

Public Law 95-163 by inadvertence provided that a U.S. corporation could register an aircraft in the United States only if the aircraft is "based and primarily used in the United States." Many of the aircraft operated by our U.S. international air carriers would not technically meet this requirement of primary use in the United States since the majority of their hours flown are outside the continental limits. This bill corrects this problem by limiting the applicability of this test to corporations which, due to substantial foreign ownership, fail to meet the U.S. citizenship requirements of the act.

CLEVELAND'S WEST CENTRAL AREA
DEVELOPMENT CORP. MARKS
NINTH YEAR OF SERVICE

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. STOKES. Mr. Speaker, I rise on this occasion to bring to your attention and to the attention of my colleagues in the U.S. House of Representatives an outstanding community-based organization in Cleveland, Ohio.

The West Central Area Development Corp. (WCADC) is involved in the planning, development, and implementation of programs designed to revitalize the central area of the city.

Mr. Speaker, the west central area is 96 percent black and according to the 1970 Bureau of Census statistics, 75 percent of the area's families are below the poverty level. There is no doubt that this community is in need of massive economic and community development assistance and I am particularly gratified that WCADC is doing such an excellent job in providing leadership and services.

Mr. Speaker, so that my colleagues in the House can familiarize themselves with this organization's fine work, I would like to cite several of WCADC's major revitalization initiatives. Between 1969 and 1972, WCADC cosponsored with the Cleveland Interfaith Housing Corp. the development of 88 units of new housing in the west central community known as "Central Park Place." This was the first totally owned and operated housing cooperative of its type in Cleveland.

From 1971 until 1974, the organization sponsored summer youth programs and provided a worksite for youths employed under the student neighborhood youth corps (SNYC). WCADC also sponsored summer youth programs for 1975-77 under the comprehensive youth services program.

WCADC played a significant role in the construction of the Marion-Sterling Elementary School and in the planning and organization of the Cleveland Community Health Network, Inc., from which developed the Group Health Network of Northeast Ohio, a health maintenance organization licensed by the State of Ohio.

Mr. Speaker, I am also pleased to announce to my colleagues that WCADC is in the process of completing an \$18,000 comprehensive employment training act planning grant. The youth manpower planning grant has culminated in WCADC being awarded a \$125,000 title III CETA grant for a merchandizing and sales project to commence January 2, 1978. WCADC has also been actively involved for 22 months in the planning and development of the Carl B. Stokes Cultural Center. Donated by the University Hospital, the center is to be housed in the old 35th Clinic Building at 2500 East 35th St. and is scheduled to open as early as next October. Support for the center has come from significant numbers of individuals and organizations within the greater Cleveland community.

On Friday, January 27, 1978, the West Central Development Corp. is holding its ninth annual meeting at St. Andrews Episcopal Church in Cleveland. Many notable civic, business, and community leaders will be on hand to honor the administrators, board, and staff of this fine organization. In light of this auspicious event, Mr. Speaker, I would like to ask that my colleagues join me in recognition of the West Central Development Corp. and their dedicated service to the community. They have made an indelible mark on the city of Cleveland. Let us hope that they continue to grow and prosper.

HEALTH PLANNING

HON. JOSEPH L. FISHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. FISHER. Mr. Speaker, last week the House approved H.R. 9418, the Health Professions Education Amendments of 1977. Contained in this legislation is a provision which would permit the Secretary of Health, Education, and Welfare to extend a Health Systems Agency's conditional designation period for an additional 12 months. I fully supported this provision.

As you know, Health Systems Agencies (HSA) were created by the National Health Planning and Resources Development Act, Public Law 93-641. An HSA was to be charged with, among other things, improving the health of the residents of its health service area, increasing the accessibility, continuity, and quality of health services, restraining increases in the costs of providing these services, and preventing unnecessary duplication of health resources. Under Public Law 93-641, HSA's must prepare, approve, and submit to HEW for review a health systems plan (HSP), which is a detailed statement of health goals, within 24 months of their conditional designation before they can become fully designated and certified as the official health planning agency for the affected region. To date, only a handful of the 205 HSA's across the country have submitted plans. The 2-year conditional designations begin to expire this spring.

In my District, for example, the Health Systems Agency of Northern Virginia published their proposed 800-page-plus health systems plan in October of this year. It is the result of a great deal of work by interested and dedicated citizens. Naturally, this comprehensive document has generated much discussion. Two public hearings have been held by the HSA and comments are still being accepted. However, the comments period is expected to terminate shortly and the HSA hopes to publish its plan in final form this coming January or February. It seems to me that there has not been adequate time for the public and professional community to evaluate this thorough draft and for the HSA to seriously consider the comments and sug-

gestions before the final plan is published.

Furthermore, Public Law 93-641 specifically states:

The agency [HSA] shall after appropriate consideration of the recommended national guidelines for health planning policy issued by the Secretary [of HEW] . . . establish, annually review, and amend as necessary a health systems plan [HSP].

As you know, HEW only proposed the national guidelines this September 23. The period of time for comments from across the country was originally due to expire on November 22 but was extended by HEW until December 9. It is unreasonable to expect HSA's, at least those whose conditional designation status begins to expire this spring, to review the national guidelines, publish their proposed plan which must be consistent with the guidelines, give the public ample opportunity to comment, revise the plan as necessary, and approve the plan all before their current termination dates.

Inasmuch as it took several years for HEW to develop the national guidelines, notwithstanding the change in administrations, an extension of the conditional designation period for certain HSA's is clearly justified. Certainly an extension would be desirable for the HSA in my community of northern Virginia.

As currently drafted, the national guidelines for health planning set numerical goals which include standards for bed-population ratio, occupancy rates, obstetrical services, and pediatric inpatient services. These guidelines must be reflected in an HSA's health systems plan unless the local agency qualifies for the exceptions set forth in the guidelines. Such specific guidelines cannot possibly accommodate the diverse health care needs in the different regions of the country.

For example, the national guidelines state:

There should be at least 2,000 deliveries annually in an obstetrical unit located in a Standard Metropolitan Statistical Area with a population of 100,000 or more.

The only exception permitted in this category is when "travel time to the [alternative] unit exceeds 45 minutes under normal driving conditions for 10 percent of the population." In northern Virginia, Arlington Hospital is one of two hospitals whose obstetrical unit falls slightly short of these requirements and does not meet the exception. However, Arlington Hospital services many indigent and non-English-speaking women who utilize the hospital's outpatient maternity clinics and gynecology clinics and whose children are able to take advantage of the daily pediatric clinic. These women, due to their financial status or because of a language barrier might find it difficult to obtain similar services in other hospitals.

Other area hospitals might not offer the comprehensive maternity and pediatric services of the Arlington Hospital. At this point we do not know what impact moving inpatient pediatric and obstetric services might have on the availability of ambulatory pediatric and obstetric services. It is possible that the

physicians currently providing such services might choose to relocate closer to facilities continuing to offer inpatient services.

Also, because of its proximity to the District of Columbia, Arlington Hospital has a special arrangement with the teaching hospital at Georgetown University which inures to the benefit of Arlington citizens and Georgetown physicians alike. Finally, Arlington Hospital has a high level of care as evidenced by its low infant mortality rate—the lowest of any hospital in northern Virginia. These considerations should all be taken into account before final decisions are made. Currently the guidelines do not allow for such flexibility. However, I was pleased to learn from HEW Secretary Joseph Califano that the standards proposed for obstetrical units were thought by many to be too rigid and would be carefully reviewed.

Recognizing such problems exist, on December 6 the House unanimously adopted a resolution expressing a sense of Congress that the national guidelines for health planning take into account the special needs of rural communities. The resolution also urges HEW to allow health systems agencies to reflect these special characteristics in establishing their health systems plan. The same flexibility would be desirable for suburban and metropolitan communities.

The overwhelming support for the rural communities resolution not only represents the concern of Members of Congress for the health care needs of rural communities, it also is a reminder to all of us of the variety of health care requirements in the different regions of this country. Implementation of the guidelines should be postponed until the nature of these local needs is more thoroughly explored.

Next year the basic law (P.L. 93-641) must be reauthorized and Congress will then have an opportunity to reassess the composition of the law and make any necessary modifications. For instance, debate continues over the question of who should make the final decisions regarding hospital cost containment—the Federal, State, or local government. Thoughtful people disagree on this question and it should be clarified. Another controversial issue is the composition of the HSA itself. Many are concerned that there is not enough input from the individuals and institutions which must, in the final analysis, provide the health services which are called for.

Congressman PAUL ROGERS, as chairman of the Subcommittee on Health and the Environment, has pledged to hold hearings on health planning early next year. I encourage him to do so. Perhaps we can then resolve some of the difficulties with which we are currently wrestling.

We are all interested in curbing the rising costs of health care, but it should be accomplished in a prudent and deliberate manner. We should attempt to acquire the support of both the public and professional medical community before we institute major changes in the delivery of health care services. It might prove more effective to proceed cau-

tiously at first, pursuing fewer goals and objectives. This would facilitate future cost containment endeavors.

SUPPORT GROWS FOR ENACTMENT OF THE KEMP ARTS AND HUMANITIES BILL

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. KEMP. Mr. Speaker, on September 29, I introduced legislation to aid the financially strapped arts and humanities throughout the United States by encouraging greater support from the private sector.

The early enactment of this legislation is vitally important, for arts and humanities institutions and organizations are faced with inflationary increases in expenses and corresponding decreases in private, corporate, and foundation abilities to assist them. The situation is fast approaching the critical level.

The survival and growth of the arts and humanities cannot depend solely on the generous giving of philanthropists and foundations or on the annual appropriations of government. To assure a stable and continuing growth in the amount of funds flowing to arts and humanities, more people—private, individual citizens, cutting across the widest range of incomes—must be encouraged to give. That is exactly the principle around which the legislation I introduced was designed.

This legislation provides a tax credit equal to 50 percent of the contribution or gift to any qualified organization whose primary purpose is the support of the arts and humanities. This credit is limited to \$200 per person per year and may not exceed an individual's total tax liability. What this means is that a person could give up to \$400 per year to the arts and humanities, and it would only cost that person \$200. Of course, in the case of a husband and wife, they could give up to \$800, costing them only \$400.

The benefit of a tax credit, however, is generally limited to low and moderate income taxpayers. So, in order to encourage corporations and higher income individuals to support the arts and humanities in greater number and to a greater degree, the bill also provides for a tax deduction equal to 120 percent of the contribution to these organizations. In other words, for every dollar contributed an individual or other qualifying taxpayer could deduct \$1.20 from its taxable income.

Thus, no matter how much money you make, be you rich or poor, an individual or a corporation, this legislation will provide you with an opportunity to give to a favorite college artistic effort, opera, ballet, or museum and receive either a tax credit or an additional tax deduction.

Clearly, this method will be of especially great benefit to the moderate income taxpayers who would like to support the arts and humanities but cannot afford to give as much as they would

like. In effect, it will enable them to double their financial support. And, these are exactly the people we must have supporting arts and humanities in greater numbers if such institutions are to be viable on the local level and free from the overt or unspoken control which inevitably accompanies the receipt of support from government.

Something has emerged from the national discussion over this legislation, and that something is a recognition of the many, many problems which are overcome by adopting this method.

What will the enactment of this specific bill accomplish?

It will provide an increased flow of funds from the private sector to the financially strapped arts and humanities organizations, as well as the artists and educators they support.

It answers the demands of liberals that more funds flow into the arts and humanities.

It answers the demands of conservatives that increased financial support for the arts and humanities not be under the control of Federal entities.

It answers the demands of the arts and humanities community that support fostered from Washington not be dependent upon the authorization and appropriation processes or upon the grant procedures of the Federal entities.

It answers the demands of the people, not only for vibrant arts and humanities programs, but also for a lower effective rate of income taxation, in other words, it reduces the tax bite. This bill is fully consistent with the objectives of the Kemp-Roth Tax Reduction Act, a bill designed to reduce government's tax bite and thereby increase after-tax earnings for all taxpayers.

It answers the demands of the business community that they be given an equal break for their corporate support of the arts and humanities.

Mr. Speaker, this is the way we ought to proceed, and I think that is reflected in the growing support for the legislation.

This support has come first from Members of Congress themselves. On November 3, I reintroduced the bill, as H.R. 9985, and I did so with 24 cosponsors:

Mr. ADDABO of New York.
Mr. AUCOIN of Oregon.
Mr. BADHAM of California.
Mr. BURGNER of California.
Mr. DERWINSKI of Illinois.
Mr. DICKS of Washington State.
Mr. DORNAN of California.
Mr. DUNCAN of Tennessee.
Mr. GILMAN of New York.
Mr. HARRINGTON of Massachusetts.
Mrs. HOLT of Maryland.
Mr. HUGHES of New Jersey.
Mr. KINDNESS of Ohio.
Mr. LOTT of Mississippi.
Mrs. LLOYD of Tennessee.
Mr. MARKS of Pennsylvania.
Mr. MURPHY of Pennsylvania.
Mr. RYAN of California.
Mr. SCHULZE of Pennsylvania.
Mr. SKUBITZ of Kansas.
Mr. SPENCE of South Carolina.
Mr. WALSH of New York.
Mr. WHITEHURST of Virginia.

Mr. WINN of Kansas.

Mr. MARRIOTT of Utah has joined the list of cosponsors since that reintroduction.

I might say, parenthetically, that this latest bill, H.R. 9985, is the one to which all future references should be made. There were some technical, clarifying changes made in the September 29 bill's text, and they are reflected in H.R. 9985.

But support is not just coming from Members of Congress. It is coming from the arts and humanities community too. Let me cite and quote from a few of many examples.

The Artists Equity Association of New York's newsletter for October ran an extensive column in support of the bill. I quote:

KEMP BILL DISCUSSED

The Washington International Arts Letter in a forthcoming issue will endorse a bill being entered before Congress by Rep. Jack Kemp (R-NY), which would help get more money into the arts in general and enlarge the market for fine art. The bill would be the answer to the Richmond bill for a tax-form write-off which, although nearly 100 members of Congress have endorsed it in one way or another, has little chances of passage, mainly because it opens up the IRS form for other fields which also have demands beyond what the Treasury and Congress are willing to finance from tax money. Kemp's bill would allow individual taxpayers a tax credit of 50% for contributions (up to \$400) to qualified nonprofits in the arts and humanities, and allow the option of claiming a tax deduction of something more than 100% of contributions. (A tax credit is a sum taken off the ultimate tax bill, while a deduction is an amount subtracted from gross income before figuring taxes.)

Richmond's bill, which has had a lot of publicity, would place two boxes on the IRS form and allow taxpayers to deduct contributions to the arts and humanities Endowments, thus making the government responsible for parceling out the money. Kemp's bill would allow people to support what they want to support without the government getting its hands on the money.

This Kemp bill is seen by Daniel Millsaps, publisher of the Letter and one of the original founders and figures in Artists Equity, as the compromise which might get massive support going. As it had been before Kemp came up with his idea, support for Richmond's bill was widespread, but so was criticism. Through the Kemp bill, the criticisms may be quelled and some action gotten. Full action is not seen until at least 1979, however, and a lot of work must be done by artists in all fields before anything comes to pass. (Fred Richmond is also from NY, a collector and a Democrat.)

Aid through tax deductions to non-profits could help non-profit galleries, or other entities set up in visual arts fields by artists and their agents.

The Richmond bill, because nothing else was about or had been brought up, has gained support of such people as the Gorewitz-Rauschenberg group, who recently came to Washington to lobby for it and held some informal meetings. Now that a compromise has been suggested, it remains to be seen just how various groups will show themselves, but it is felt here that the art community should encourage Congressman Kemp in his efforts, the same as it has encouraged Mr. Richmond. There is no reason to have a partisan political fight about the two bills.

In the recent Washington meetings where the Kemp bill was announced as being readied for Congress, National Artists Equity representative Gail Rasmussen was present, but that body had not been told of the new

effort at compromise, for the whole idea was a surprise at the gathering. Congressman Richmond's office announced that there were 120 artists at the meeting, but when pressed came up only with the following list of those who appeared: Donald Judd, Robert Rauschenberg, Jack Youngerman and Richard Anusiewicz. Others who were there included: Theodore Bikel, Robert Brustein, Ann Darling, and Elle Siegmeyer.

Mr. Speaker, the American Society of University Composers, has written me, "The American Society of University Composers would like to express its support of your bill," and has offered me their national support, which is significant. Its national council and executive committee is composed of representatives from the universities of Illinois, California, Massachusetts, New Mexico State, Sarah Lawrence, Texas, New York, South Florida, Miami, Northern Arizona State, Iowa, Houston, Kansas, Nassau Community, Michigan, Colorado, Wyoming, California State, Columbia, Arizona State, and Redlands and from the colleges of Bowdoin, West Chester State, Oberlin, and Evergreen State, as well as from the Contemporary Music Forum, the National Association of Schools of Music, the Index of New Musical Notation, and the ASUC Radio Series.

A particularly important commentary in support of the bill appeared in the recent Washington International Arts Letter, and I quote from its last paragraph:

One advantage the Kemp Bill has over the Richmond Bill is that it answers those who say that if we make a check-off box on the income tax return for arts/humanities like the one for political elections now in being, other groups and interests will also want check-off boxes put on the return for them. Kemp's way seems a great deal cleaner than Richmond's from the present vantage point.

AVISO, the monthly dispatch from the American Association of Museums, informed its members of the legislation by asking for their support of it, based on its impact on museums. I quote:

This would greatly increase the incentive for gifts to the arts from both large and small donors.

Mr. Speaker, I will reintroduce the measure with additional cosponsors right after we come back for the Second Session. The list of existing cosponsors shows how bipartisan this effort is. It also shows that it is supported from all sections of the country and by all types of philosophical persuasions.

I welcome the support of additional colleagues, and I urge its enactment.

THE CANAL: A RAMPART

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. LAGOMARSINO. Mr. Speaker, I would like to bring to the attention of my colleagues an excellent article by John Davis Lodge on the proposed Panama Canal treaties. Mr. Lodge raises some excellent points that I feel should be considered by all of us who will shortly be called upon to make a decision on the proposed treaties. I urge you take a few

minutes to consider Mr. Lodge's comments.

[From the New York Times, Nov. 29, 1977]

THE CANAL: A RAMPART

(By John Davis Lodge)

(NOTE.—John Davis Lodge, who has served as Ambassador to Argentina, in 1953 as Governor of Connecticut, represented President Dwight D. Eisenhower at celebrations in Panama marking the 50th anniversary of that republic.)

WESTPORT, CONN.—The principal arguments vehemently raised in support of the Panama Canal treaties are not altogether convincing.

It is alleged in screeching tones that we stole it. That is contrary to the record, it was an act of constructive statesmanship by one of our great Presidents, Theodore Roosevelt. It constitutes a notable public service by the United States to the entire world. We should not be apologetic but proud of this unprecedented engineering achievement. We succeeded where the French failed. But for us the Panama Canal would not exist. In one way or another it has been paid for by us many times over.

Should we now say that the Louisiana Purchase, by which President Thomas Jefferson bought one-third of the United States from Napoleon for \$15 million, was a steal and that therefore we should return this vast area to France? And how about Alaska? And Hawaii?

It is asserted that the Panama Canal constitutes an anachronistic vestige of colonialism in a decolonializing world. Certainly the British, French, Spaniards and Portuguese have been shedding their colonies. But how about the Russians and their satellites? Are these satellites not in effect colonies?

Moreover, the Panama Canal Zone is not a colony. It is inhabited by many thousands of Americans. True, it is not contiguous to the United States, as it is to Panama. Is contiguity then the criterion? Well, then, how about Alaska, contiguous to Canada and close to Siberia. Should we hand Alaska over to Canada or perhaps to Russia? Alaska is a state as is Hawaii. Yes—and we could conceivably make a state out of the Panama Canal Zone.

It is declared that the Latin Americans resent the North American presence in the Canal Zone. Yet there are many others who fear Russian control of the canal by means of their control of Fidel Castro's Cuba and Castro's power and influence over Gen. Omar Torrijos Herrera, the current, temporary, unelected, left-wing, military dictator of Panama. And there are many others around the world who fear that the Panamanians, in spite of their threats and promises, will not run the canal as efficiently as we do. We run it very well indeed.

Argentina, Brazil, Chile, Bolivia, Uruguay, Paraguay and Ecuador have anti-Communist Governments and fear Communist infiltration of the Canal Zone. Many in these countries would dread our relinquishing control.

The principal argument advanced in favor of the treaties is that, as General Torrijos has warned us, if they are not ratified by the Senate there will be trouble in Panama: demonstrations, riots, bombs, guerrilla activity—and that therefore we must agree to the treaties as an act of appeasement—a mini-Munich, if you will—but, in effect, a shotgun arrangement.

We got tired of the Vietnam War, we refused to help in Angola, and so now it is proposed that 217 million Americans should cave in and run away before the ominous threat of 1.5 million people in Panama. This is the worst possible reason for ratification of the treaties, for it portrays us Americans as a supine pack of cowards, a paper tiger who will give in at the slightest threat of combat. It is succumbing to blackmail.

This is the argument that would cause us to lose face and friends and confidence in many parts of the world, particularly in South American, where our sanctimonious sermonizing about human rights has made us unpopular.

Certainly the treaties can properly be revised. However, let us recognize that in the mortal struggle in which we are inextricably involved, for the United States to surrender control of the canal will, in this jungle world, present the enemy with an advantage. While in some ways the canal may be obsolete, in unfriendly hands it could present a difficult and dangerous problem for the United States, especially in the event of a shutdown.

The overriding question is this: Is it in the interests of our national security, is it in the best interest of the United States as leader of the non-Communist world to lessen our control of this vital waterway and rampart at a time when Russian imperialism, heavily and increasingly armed, is very much on the march? The national interest must be the determining factor. We should be governed by geopolitical considerations. If we move out, will the enemy eventually move in?

EXTENSION OF CREDIT TO THE LAO PEOPLE'S DEMOCRATIC REPUBLIC

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. YOUNG of Florida. Mr. Speaker, in recent weeks I have been critical of the President for not complying with the spirit of his commitment to Congress he promised to instruct U.S. Representatives to international organizations to oppose and vote against loans to specific countries, including Vietnam, Uganda, and Laos, as well as his promise to oppose and vote against loans for specific projects relating to the development of sugar, palm oil and citrus crops.

Those criticisms included how the administration did not oppose or vote against a United Nations resolution calling for the rebuilding of Vietnam—see page 36695 of the November 2 CONGRESSIONAL RECORD. And how the administration actually supported a World Bank loan to Indonesia for the development of palm oil production—see page 38828 of the December 7 CONGRESSIONAL RECORD.

Now Mr. Speaker, in order to be fair to the President, I want to advise our colleagues that in keeping with the President's commitment, the U.S. Executive Director to the World Bank did voice opposition to planned negotiations to extend \$8.2 million in soft loans to Laos for several development projects. As we might expect, no other member country expressed opposition and the World Bank is proceeding with the negotiations for providing these soft loans to Laos.

I applaud the President's action in this matter and submit for the RECORD a copy of the memorandum from Mr. Edward R. Fried, U.S. Executive Director, to World Bank President Robert McNamara expressing the President's objections.

The memorandum follows:

WORLD BANK/INTERNATIONAL

FINANCE CORPORATION,

November 7, 1977.

To: Mr. Robert S. McNamara, President, International Development Association.

From: Edward R. Fried, U.S. Executive Director.

This is in reference to the notice of intent to negotiate an extension of credit to the Lao People's Democratic Republic by the Association in an amount of \$8.2 million which was circulated to the Board of Executive Directors on November 4, 1977 (IDA/SecM77-262). Pursuant to instructions from the President of the United States, I wish to record the opposition of the United States to the initiation of negotiations with the Lao People's Republic for the extension of this credit. Should the loan be brought before the Board of Executive Directors for its approval during the current U.S. fiscal year, I shall cast the votes of the United States against the loan.

PERSONAL EXPLANATION

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. SARASIN. Mr. Speaker, on December 7, 1977, I was absent from the legislative session of the House of Representatives. Had I been present, I would have voted in the following fashion:

Rollcall No. 767: H.R. 9418—Health professions education amendments. The House agreed to the conference report on the bill to amend the Public Health Service Act to require increases in the enrollment of third-year medical students as a condition to medical schools' receiving capitation grants under such Act, "yea";

Rollcall No. 768: H.R. 6666—Legal services. The House agreed to the conference report on the measure, Legal Services Corporation Amendments of 1977, "yea";

Rollcall No. 769: H.J. Res. 622—Continuing appropriations. The House agreed to consider the rule, "yea";

Rollcall No. 770: H.J. Res. 622—Continuing appropriations. The House rejected a motion to concur in the Senate amendments to the joint resolution making further continuing appropriations for the fiscal year 1978, "yea";

Rollcall No. 771: S. 1340—ERDA authorization. The House agreed to the rule (H. Res. 916) providing for consideration of the Senate bill, "yea";

Rollcall No. 772: H.R. 3722—SEC authorization. The House agreed to the conference report on the measure authorizing appropriations for the Securities and Exchange Commission for fiscal year 1978, "yea";

Rollcall No. 773: S. 305—Unlawful corporate payments. The House agreed to the conference report on the measure to amend the Securities and Exchange Act of 1934 to require issuers of securities registered pursuant to section 12 of such Act to maintain accurate records and to prohibit bribes, "yea";

Rollcall No. 774: H.J. Res. 662—Continuing appropriations. The House

agreed to consider the rule (H. Res. 929) providing for the consideration of the Senate amendments to the Joint Resolution, "yea"; and

Rollcall No. 775: H.J. Res. 662—Continuing appropriations. The House agreed with an amendment to Senate Amendment No. 2 to the aforesaid resolution concerning conditions under which there may be Federal funding for purposes of performing abortions, "yea".

COST OF LIVING INCREASE

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. FORD of Michigan. Mr. Speaker, during recent months I have closely examined the allocation of funds for the Headstart program by the Administration for Children, Youth and Families (ACYF) in the Department of Health, Education, and Welfare with the distinguished chairman of the House Committee on Education and Labor CARL D. PERKINS and the ranking minority member ALBERT H. QUIE.

After considerable analysis and discussion, we determined with the assistance of the Congressional Research Service of the Library of Congress that in fiscal year 1976 and fiscal year 1977 ACYF did not apply the statutory formula written by Congress in 1975. This formula was designed to correct funding inequities between States which resulted because moneys were not allocated in any rational way. This led to a situation where some States received much larger sums than others without regard to the number of eligible recipients.

Briefly, what CYF did was apply the hold-harmless level established by Congress in 1975 and then they applied the two-part formula, based on the number of children qualifying for public assistance and the number of children below the poverty level. Because of the appropriations funding level and the application by ACYF in fiscal year 1976 and fiscal year 1977 of a 6-percent cost-of-living increase to all States, including those which were under the hold-harmless provision, the inequities Congress was seeking to minimize became more pronounced.

The funding formula became an especially important topic during recent deliberations by the Subcommittee on Economic Opportunity because of the substantial increase of \$150 million in Headstart appropriations for 1978. As a result of the subcommittee discussions, members of the subcommittee have directed ACYF to allocate the 1978 appropriation in the following manner:

First. Up to 2 percent of the fiscal year 1978 appropriation should be withheld for allocation to the Territories. As much as 20 percent of the appropriation should then be reserved for discretionary funding. From the remainder, one-half should be distributed based on the relative number of children living with families below the poverty line in each State as com-

pared to all the States; and one-half should be distributed based on the relative number of public assistance recipients in each State as compared to all the States. In carrying out this process, no State should be allocated less than it was in 1975.

Second. From the Secretary's discretionary reserve, money should be given to those States whose fiscal year entitlements in the first step are less than what they actually received in 1977.

Third. With additional money from the Secretary's discretionary reserve, every State should receive a 6-percent cost-of-living increase. Those States whose fiscal year 1978 entitlements are greater than their fiscal year 1977 allocations should receive their 6-percent cost-of-living increase based on the fiscal year 1978 allocation.

Because 22 States and Puerto Rico will receive substantial increases under this formula application, the subcommittee has directed ACYF to permit States to carry over fiscal year 1978 funds into fiscal year 1979. This will enable States to fairly distribute their allocations statewide in a wise and equitable fashion to assist both ongoing and new programs.

One State which was shortchanged under the incorrect formula application in 1976 and 1977 was my home State of Michigan. By applying the 1975 hold-harmless provisions first in the formula application and ignoring the two-part formula, Michigan received \$5,655,001 less in both fiscal year 1976 and fiscal year 1977 than it would have had the formula been applied as Congress intended.

Michigan's allocation for fiscal year 1977 was \$9,949,910. Under the method directed by the subcommittee for fiscal year 1978, Michigan should receive \$22,628,000.

To insure that ACYF has a clear directive from Congress on future fund allocations, the subcommittee has agreed to return H.R. 7577, the Economic Opportunity and Community Services Amendments of 1977, which includes the Headstart formula, back to the subcommittee to discuss further the Headstart formula questions, and how funds can best be distributed in future years to achieve the optimum degree of fairness and equity for all States.

A TRIBUTE TO RALPH B. PIRKLE OF DAWSON COUNTY, GA.

HON. ED JENKINS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. JENKINS. Mr. Speaker, I wish to take this opportunity to recognize and honor an outstanding citizen of Dawson County, Ga.—Mr. Ralph Bunyan Pirkle. On June 14, 1977, Mr. Pirkle received a call from his daughter saying that her 20-month-old daughter was choking on some medicine and the child was unable to breathe. After arriving on the scene shortly thereafter, Mr. Pirkle cleared the child's throat and applied mouth-to-

mouth resuscitation. The child began breathing again.

Without doubt, Mr. Pirkle saved his granddaughter's life. He had been trained by the American Red Cross in cardiopulmonary resuscitation, and he used this valuable training in his gallant efforts.

For this act of mercy, Mr. Pirkle was awarded the highest honor bestowed by the Red Cross—the certificate of merit. This award is given to a person who saves a life by using skills learned in a Red Cross first aid, small craft, or water safety course.

The certificate bears the signatures of President Carter who is the honorary chairman, and Frank Stanton, who is chairman of the American Red Cross.

Mr. Speaker, this selfless and humane action on the part of Mr. Pirkle is appreciated by all.

Thank you.

SOCIAL SECURITY MUST BE SECURE

HON. JAMES G. MARTIN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. MARTIN. Mr. Speaker, with retirement, survivor, and disability benefits of \$88 billion, exceeding revenues—current taxes—by \$5.5 billion, and with that annual deficit increasing to \$11 billion by 1981: the social security reserve fund, with only \$36 billion remaining, will run out by 1982. That is right, it will be exhausted in 5 years—unless the law is changed.

Social Security law, therefore, must and will be changed; but how?

Most social security proposals seek either to increase the benefit levels to older Americans, many of whom have little or no additional income and who suffer the most from inflation; or to increase the fairness of the system to the widow who remarries, the working spouse who retires, or the retired person who works part-time only to lose half of every dollar earned in excess of \$3,000. All are worthy causes with a catch: they cost more. Congress has also had its catch: increased benefits are easy to vote; taxes are not. It is not a question of mismanagement, but of political generosity."

So a reserve fund that ideally ought to be above 50 percent of the annual payout has dropped to 40 percent and falling. This troubling issue ranks second only to the need for an energy policy balanced between conservation and production incentives.

There are really only two ways to fix the fiscal deficit of social security: reduce its cost or increase its taxes—or, the ultimate political terror, both!

COST-OF-LIVING ARITHMETIC

No one proposes to cut present benefit levels, and few would eliminate cost-of-living increases which insulate retirees from inflation—although adding inflationary pressure. There is, however, agreement that one overly generous pro-

vision must be halted in its tracks: an extra increase tied to wage increases.

That 1971 amendment doubles up the cost-of-living adjustment and in a few decades would lead to first year retirement benefits exceeding one's previous earned income! That double-whammy alone accounts for half the actuarial deficit of the fund, and has to go. It cannot be financed.

Unfortunately, that alone is only half the answer.

PUBLIC EMPLOYEES' EXEMPTION

One highly sensitive issue is whether Federal and other exempt public employees—including 30 percent of State and local government workers—ought to be covered by social security. Misunderstandings and suspicion have degenerated this debate into accusations and name calling.

What we proposed in Ways and Means, only to be rejected in the House, was to include these 6 million workers in social security, in a way that would not increase the amount withheld from their checks above what now goes into their pension fund. Upon retirement, their combined income from social security and pensions would be no less than they are now entitled to from their pension plan. It would be phased in starting 1982, and would not affect anyone now in or near retirement. Most would gain since their social security check would not be subject to income taxes now collected on most of their pension, and most would gain a survivor's benefit which they do not have now.

How would that help the system's deficit? It would end a windfall benefit for which almost half those public employees already manage to qualify—perfectly legally. By part-time moonlighting, supplemental summer jobs, a spouse working in a business: they can and do lawfully become eligible for social security benefits that they haven't actuarially paid for. In many cases, a minimal contribution while moonlighting entitles them to an inflated benefit designed for low income workers: ironic, but legal. The net effect of all these factors is that the annual social security deficit would be \$1 billion smaller if all these 6 million were brought in. That is, social security is presently being drained over a billion dollars a year because of this exemption.

Naturally, many public employees objected to losing a legal advantage over 100 million private sector employees. Many others were mistakenly led to believe their trust funds were being raided to make up social security generosity to private sector retirees—rather than to undo the reverse subsidy. And many retired public workers were mistakenly frightened into thinking they would lose something, when they really wouldn't be affected at all.

With time, when 100 million nonpublic employees send their message, universal coverage will be enacted. They and over half the 6 million public employees will be better off.

AGE OF ELIGIBILITY

Another misunderstood proposal was to raise the age of eligibility from 65 to 68. If that is all there was to it, nobody

would be for it and it would not have been proposed.

The idea, though, was to reduce the tax increases otherwise required, without affecting people who are retired or who will retire before the year 2000. That is right, it would phase in during the decade beginning in A.D. 2000, and thus would avoid a substantial part of the tax increase to be paid by those under age 42 who would be affected by the change. Well, that is different.

One reason this has to be considered is because increasing life expectancy—now 74—and reduced birth rates have lowered the ratio of workers to retirees to 3-to-1 now and will drop it to 2-to-1 not too long into the next century. When social security was enacted in 1936, life expectancy was lower than the 65 retirement age.

This is entirely a practical matter, and will come to pass if and when younger workers decide the trade-off is favorable to them. For everyone else, it is clearly a gain or neutral.

HOW MUCH WILL IT COST?

If all the above measures were enacted it would still take a tax increase to balance the money flow. Since the latter two proposals were heavily rejected, a larger tax increase is needed. That is pretty bleak.

The burden is so heavy that workers are beginning to ask if they can just be allowed to opt out and contribute to their own pension, and enjoy the same advantage that many public employees have. That modest proposal would either destroy the financing of future benefits for lower income individuals, or it would require an increase in taxes on nonbeneficiaries.

The administration and others want to shift the financing from the present 5.85 percent tax on the first \$16,500 earnings—matched by employers, by reducing that and making up the difference from the Treasury. That is the worst idea yet. The Treasury is broke, and already \$700 billion in debt, and will add another \$62 billion deficit this year. Once the fiscal discipline of a flat social security tax is lost, it is all over. Congress will then be tempted to vote billions more for beneficiaries and disregard the inflationary effect of printing that much more funny money.

No, you either have to raise the 5.85 percent rate or the \$16,500 base.

IS THERE A PAINLESS WAY?

For all the very best political reasons, congressional liberals want to leave the rate where it is so that those earning no more than \$16,500—or its future equivalent after inflation—will not have to pay more. Under present law, cost-of-living adjustments would raise the base from \$16,500 to \$29,400 by 1986, and they propose to boost it further to \$40,200 then. That would certainly produce more revenue right away, but would also entitle those higher income workers to correspondingly greater retirement benefits; so it would soon wash out. At best that tactic only postpones the crisis a few more years; at worst, it leaves less room for further adjustments in the taxable base since very few workers would have any untaxed earnings left.

All that means is that an increase in the rate cannot be avoided without reducing benefits or changing eligibility unfavorably. Under present law the rate will rise from 5.85 percent in 1977 to 6.45 percent by 1986; and the legislation proposes to boost it by then to 7.15 percent. Yet by instituting that higher rate a couple of years earlier, we could avoid increasing the base more than for cost-of-living adjustments.

TO ACT OR TO DELAY?

The 1977 legislation must be passed. There is little likelihood that studying the same questions again will lead to a different solution in this Congress. There is much merit to the Observer's editorial suggestion that passage of this measure will seize the public's attention as the taxes bite deeper. That will clear the political air, in my opinion, and generate support for universal coverage and perhaps even a future elevation of the full benefit age—and anything else that will substantially reduce taxes.

Meanwhile, we must resist the temptation to pay benefits from the Treasury because that would leave no political discipline to prevent massive deficit financing.

Delay will not help; the problem will not go away; it will only get worse. Therefore, I must support this bill as the only available option that will make social security once again secure.

VERMONT ROYSTER COMMENTS ON PANAMA CANAL TREATIES

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. SIMON. Mr. Speaker, Vermont Royster is a well-read columnist with the Wall Street Journal, and recently he had some comments on the Panama Canal treaties that make eminent good sense.

I am taking the liberty of inserting his comments in the CONGRESSIONAL RECORD, and I hope my colleagues will take the trouble to read it carefully, particularly my colleagues in the Senate who face the responsibility of voting for the two treaties:

THE CANAL

(By Vermont Royster)

It was a long time ago—back in December 1940, a year before Pearl Harbor—that I was called up to be a temporary naval officer, and my first duty station was on an old World War I destroyer in the Panama Canal Zone. I stayed there for 18 months.

Panama was a pleasant duty station if you were an American, civilian or military, even after Pearl Harbor. On that famous December 7th there was a flurry of excitement (I was the lone duty officer aboard the USS J. Fred Talbot that afternoon) and much rushing to-and-fro in the Canal as we went searching imagined Japanese naval forces, but things soon settled down to a routine.

There we Americans, civilian and military, had our own housing, our own swimming pools, tennis courts, movie theaters and shops. The cost of all these things was nominal since they were tax-free and subsidized, which was very nice for a young man on an ensign's pay.

Things weren't quite so pleasant for a Pan-

amanian. All these amenities were off-limits to the Panamanians, many of whom lived in near poverty. If a Panamanian did work for the Canal, he got lower wages than his American counterpart and had none of the privileges. He was also constantly reminded of his lower status by such things as separate toilets and separate drinking fountains, marked "gold" for American's, "silver" for Panamanians.

So I have no trouble understanding the long years of resentment of the Panamanians at their second-class status in their own country and their years of agitation to get the status of the Canal changed.

Last summer I went through the Canal again, this time on a freighter, and in eight hours we cut off days of steaming that would have been required to go around the Horn. This was a reminder of the importance the Canal still holds for American trade and defense.

So I have no trouble understanding why some people fear any move to relax our control of the Canal, as would happen by the year 2000 under the proposed treaty.

And it is the clash of these emotions, resentment on one side and fear on the other, that makes calm discussion of this treaty so difficult. In both the United States and in Panama there are groups angered by the treaty terms, each for a different reason. Resentful Panamanians want an immediate end to U.S. extraterritorial status. Fearful Americans would never end U.S. control of the Canal.

I must say that I share some of the uneasiness about the future of the Canal after the year 2000. Panama is a politically volatile country. There is much anti-Americanism, so there is always the possibility that once control passes to Panama this could be converted into anti-American action.

There are also some provisions in the treaty which I wish were different. I would prefer not to yield our unilateral right to build another canal elsewhere, and I would be happier if our right to defend the Canal after the year 2000 were spelled out more clearly.

All the same, the world has changed much since the days of World War II, and with it not only the role of the Canal itself but also, inevitably, the relationship between the U.S. and Panama. That old relationship, with all its overtones of colonialism, simply could not be long maintained.

The change includes our military role. In that long ago war the Canal was a major military base, permitting us to shift our sea forces quickly from one ocean to another.

For that purpose the Canal is still important but much less so. On last summer's transit we saw not a single U.S. warship. There is no longer a submarine base on the Atlantic side. The navy docks at the Pacific entrance were bare and forlorn. Only secondary navy vessels even use it for transit; it's too small for today's capital ships, carriers and the big submarines.

Merchant ship use of the Canal is also declining. Where it used to operate 24 hours a day, transits are now largely confined to daytime. The big tankers and the new big container ships must follow other routes. By the year 2000 the Canal's role will surely be further diminished.

So much of the fear about loss of control is based on memories of the Canal as it was, not as it is or will be. The fear also overlooks the fact that Panama has a greater interest than we do in maintaining the viability of the Canal. For us it is at most one adjunct to commerce and defense. For Panama the Canal is vital; for it, the closing of the Canal would be a disaster.

These are practical considerations to mitigate fears about what might happen a quarter of a century hence. But these are not the reasons that have pushed four Presidents into negotiating a slow, orderly transfer of control.

The hard truth is that in the modern world time is running out on the kind of foreign power position the U.S. has held in Panama. It is not true, as some critics of the treaty claim, that the Panamanian drive to change things is something newly stirred up by leftist groups or by President Torrijos. To my knowledge, resentment of the American position goes back at least nearly 40 years to the election of President Arias in June 1940. In the turbulent years since, every political leader has been forced to agitate for a change in the U.S.-Panama relationship.

They could hardly do otherwise. Not only were the Panamanians second-class citizens in their own country but the country itself was cut in half; until recently there was no way to get from one part to the other except by small boat. To expect people not to resent that is to expect too much, especially since—I am sorry to say—we Americans were at best unfeeling and at worst arrogant toward the people of this little country.

Perhaps we might now make better arrangements if years ago we had done things differently. But we didn't. Since we didn't, it strikes me we have done well to work out an agreement for a gradual and orderly transition.

THE MAJORITY LEADER ON NEW YORK CITY

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. ROSENTHAL. Mr. Speaker, those of us who have had the privilege of working with the distinguished majority leader, Jim Wright, know of his deep human concern and keen insight. Thus I must admit I was pleased, but hardly surprised, to learn that the gentleman from Texas had recently visited severely depressed areas in New York City, at his own initiative and without fanfare, and had written for his constituents a compelling report of the visit. His account needs no adornment from me; it speaks movingly and clearly of a tragic problem and offers several vital suggestions for a solution. I recommend the report, which I am inserting in the Record today, to all who seek a thoughtful, constructive, and sensitive analysis of New York City's plight.

The report follows:

CAN NEW YORK'S GHOST NEIGHBORHOODS BE REVIVED?

(By JIM WRIGHT)

Have you ever seen New York? I thought I had. And I was wrong. Oh, I'd been there lots of times. I'd been to Yankee Stadium, Times Square, the Brooklyn Bridge, Central Park. But I had never really seen New York, not until last week.

One day last week I drove and walked among the ghosts of neighborhoods. Short years ago they hummed with life. Now skeletal remains of gutted buildings are all that endure as eerie evidence that families once lived and loved within these empty husks.

Sooty black smoke stains surround the window openings and discolor the brownstone and brick facades of what were proud dwellings. Windows through which children peered out into busy streets and parks now leer like sightless eyesockets of a skull. In what were yards the weeds grow rank among the rubble of faded bricks and rotting debris.

Here stands a schoolhouse, unused. There are no children to attend it.

These are not ghost towns of the American West, deserted when the ore ran out. They lie in the very core of the world's largest and once most vibrant city. They are New York. The parts the tourist never sees.

In the South Bronx alone are 400 city blocks of such desolation! The sight is reminiscent of Berlin after World War II—only worse, I think. But no enemy bombers did this to them. The blight is everywhere, and spreading, like a social leprosy. In east Harlem, on the lower east side, in spots of Brooklyn, blocks of fine old architecture, built with love and pride, now sag against a bleak landscape.

For the better part of a day I drove these streets with a man named Bill Tatum, once head of public housing for the city and now with the mayor's mid-town action program. It must be seen to be comprehended. It is worse, far worse, than I had thought.

Here and there people stand aimlessly in little corner clusters. Bill Tatum says they are waiting for "the man," a furtive pusher who will drive by with the stuff for a "fix." Bill says that heroin is the viral cancer which has eaten away the will to rebuild—lives as well as buildings.

Much, perhaps most, of the devastation is the result of arson. In the past five years it has become an epidemic! Landlords, unable to collect rents from unemployed tenants, have set fire to their own properties to collect the insurance and stanch the bleeding of the upkeep. People have died in those fires. And sometimes the tenants themselves, wrenched by hopelessness, driven to anger by joblessness and deprivation, have set fire to the building.

There are oases. Rising high amid the desultory blocks of burned-out hulks are public housing units. Grass grows on landscaped grounds. But those who dwell around the perimeters of these units are resentful. A family must qualify—by a means test and by a clean police record—to occupy a public housing apartment. More cannot qualify than can. And so the doors of the public housing are locked against intruders, like little fortresses, to protect themselves against the hostility of their surroundings.

Here and there for a block or two little businesses show signs of a lingering vitality. The legends written on their windows and above their doors mostly are in Spanish, testimony to the massive Puerto Rican invasion of the last few years. And here will be a short street where the private apartment buildings are occupied, a rivulet of hope trickling through the desert of despair. And there a man is washing the street in front of his dwelling.

Almost everywhere is trash, in heaps beside the sidewalks and spilling into gutters. What once were little parks have become community dumping grounds. Bill Tatum says the city garbage crews are indifferent, as it seems also are most residents of these sprawling ghettos, caught up in a contagion of resigned hopelessness.

And this, it seems, is the heart of the problem. It is a disease of the human spirit which feeds upon itself. A landlord burns his building. Vandals occupy the empty hull, rip out the plumbing to sell for cash to buy dope. Occupants of adjacent buildings panic and flee. More fires follow. Finally the businesses and light industries which provided jobs move out. Unemployment spreads, and with it despair.

Those who could provide an anchor of stability for the neighborhood take their children and move. Now only the helpless remain. Teachers cannot enforce discipline. Kids drop out, or if they finish school they cannot get or hold a job. They experiment with narcotics and are entrapped. The vicious circle grows. Soon there is another ghost neighborhood.

The economic waste of deserted buildings—to say nothing of human lives—already runs to many billions. This property goes off the tax rolls; more unemployed people go on welfare. And the city's fiscal dilemma tightens.

Can this be part of the American dream? The deterioration is so vast, and it happened so quickly. Could it have been halted? Was there some economic tourniquet which someone failed to apply in time? And what can be done now? The temptation is simply to throw up one's hand in surrender before a set of problems so enormous, and so enormously complex.

But that of course we cannot do. To admit defeat is alien to the American character. For once I see why some have said the system doesn't work. But I'm not ready to agree. We have to find a way to make it work. The children of these slums are human too. They deserve a better chance than fate and man have dealt them.

Solutions will not be easy, nor the tide turned overnight. But we must begin. The sickness that overtook so much of New York has begun in other cities too. To ignore it, or let it go unchecked, would be a major disservice to the Nation. Perhaps an irreversible one. Some things suggest themselves:

1. Private enterprise must have a major role. Government cannot do it all. But maybe we can make it possible for private investments to succeed. We could take a leaf from Chicago's book. Industrial parks for light industry—like those on Chicago's south side—could be established in the demolished areas for a minimum outlay. EDA loans could be made available for industries willing to locate there and provide jobs.

2. Specialized trade schools could be set up to train jobless workers to the skills those particular businesses will need. This could be a joint business-government endeavor. And to keep kids of low-income families in school, a special after-school work program—say two hours a day—might make the difference. Youngsters of junior high school age and up could be given jobs cleaning up the trash, helping the police, working as hospital and health clinic attendants, planting and beautifying neighborhoods—restoring pride as well as fiscal solvency. But these jobs would be available only so long as they stayed in school.

3. Low-income citizens should be given a chance to own a house, not just be subsidized in rent. Many of these houses could be restored. The city or some non-profit corporation could buy them for a song. Then follow Baltimore's good example. "Urban Homesteading" it is called. Let families take them over, restore them by their own labor, and let this labor serve as down payment. It is called "sweat equity". A family in its own home preserves it—and protects it from vandals—far better than someone occupying a tenement and paying rent to an absentee owner.

4. Narcotics and crime go hand-in-hand. They have to be halted, and this is hard. Narcotics withdrawal centers have helped in some places. And something else is needed. Not legislation to recompense the victims of crime by federal money, but law to require their repayment in kind by the perpetrators. Justice is not just a matter of retribution. It should be concerned with restitution. The convicted criminal should be made to perform work, with proceeds going to the injured party.

The above is not an entire answer. I don't know all the answers. But I think I know that any workable solution must be rooted in a revival of a sense of individual responsibility. Responsibility of society for the most deprived, yes. But also responsibility of each individual to society, and to his neighborhood.

Walter Lippman in one of his last columns said he no longer believed in the perfectability of human nature. But he still did believe in the improbability of human nature. Me too. We have to believe in that, or just quit trying.

What I saw last week is not peculiar to New York. It is just farther advanced there. It exists in other older cities too. We in Texas are luckier than we think. But the seeds of these problems are evident, if one looks, in some of our cities too. Yes, in some neighborhoods of Fort Worth. If you don't know where they are, I can show you. These things aren't pleasant to see. You ought to go and take a look. No, I don't know all the answers. But knowing the problem is a necessary first step.

ARLINGTON NATIONAL CEMETERY MONUMENT

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. YOUNG of Florida. Mr. Speaker, recently, my constituent, Mr. Frank A. Styler brought a St. Petersburg Times article to my attention. Mr. Styler, who was a member of the 101st Airborne and attended the dedication of the 101st Airborne Division Monument at Arlington National Cemetery on May 29, 1977 was greatly disappointed by the lack of national interest. As a sponsor of the bill to authorize the erection of this memorial, I share Mr. Styler's concern. For that reason, I thought that my colleagues would appreciate having the opportunity to review this newspaper article which so clearly expresses the frustration felt by many who risked their lives for the freedoms that we enjoy today:

WHAT IF YOU BUILT A BRAND NEW MONUMENT
AND NOBODY SALUTED?

(By Peter B. Gallagher)

The 101st Airborne soldiers are mad. The "Battered — of Bastogne" are fuming. There's a teardrop on the Screaming Eagle's eye. From the veterans of the first regiment sent to Normandy in World War II and the soldiers of the Tet Offensive in Vietnam to the peacetime warriors at Fort Campbell, Ky., the 101st doesn't especially feel like celebrating Independence Day today.

A national monument was dedicated to one of the U.S. Army's top fighting machines a few weeks ago and nobody cared. The eyes of the nation looked the other way.

"We were at the capital. We stood in Arlington Cemetery and there were 1,500 veterans of one of the world's greatest fighting machines and who gave a good g-----," asks Gen. Melvin Zais of the 101st, who spoke at the dedication ceremony. "This is a sin on America's conscience."

Nineteen years of collecting pennies and dollars from veterans, two congressional bills and a year's construction went unnoticed when the "Screaming Eagle" monument was dedicated at Arlington National Cemetery, May 29. The fanfare was less than the 101st expected. The guest list a little short.

There was no network news coverage. Walter Cronkite wrote to explain he was turning the assignment over to the weekend crew. The event was mentioned with a few paragraphs in a few newspapers. President Carter sent a card signed by his director of scheduling. Fishing with Amy was heavily covered that day. Hubert Humphrey had a previous commitment. U.S. Rep. Sam Gibbons from Tampa (a 101st veteran) had to be in Canada. The proudest peacetime accomplishment of the legendary 101st was seemingly ignored.

For Frank "Sully" Styler, who was ready to die at Bastogne, the slight has broken his heart.

"Listen, if it was just me—no problem. Maybe it's only interesting to me. But there are thousands and thousands of us, veterans, wives, Gold Star mothers . . ." says Styler from his small apartment in Northeast St. Petersburg. What about all the 101st veterans in VA hospitals, waiting by little TV's for news of the monument? What about my buddy in Schenectady that just had his leg off? He's still vomiting. Nothing."

"The anniversary of Kent State was glorified over this country. But America said 'Nuts,' to the 101st."

"Nuts," is probably the most famous four-letter word in military history—the one-word 101st Airborne reply to a Nazi demand for surrender at Bastogne. It was delivered to Hitler's forces which had completely surrounded the famous Belgian town and were moving in to annihilate the entire 101st. It was one of the most dramatic moments of World War II and forever marked the 101st Airborne as the Army's top fighting unit. *The Dirty Dozen, Battlefield, A Bridge Too Far*—that was the 101st.

"You have to remember how time dulls the memory," says Gen. Zais, from his Beaufort, S.C. home. "The world was watching the 101st in those days, watching our every move."

He's right. And it adds to the irony of the whole situation. The winter of 1944 was the most depressing of WWII. The major action was centered in Belgium where, if Hitler's seven Panzer divisions could knock the Screaming Eagles out of Bastogne, a clear path would open to the English Channel. The siege lasted nearly a month. Supplies were gone, injuries high and support nowhere in sight. The Germans were a donut. The Yanks were the hole.

The media covered Bastogne heavily. It was filled with the drama of the Alamo and Little Big Horn. Army headquarters bent regulations and released the division's name to the public. Hitler knew the foe he had surrounded. The 101st. The Screaming Eagles.

For days, news of the 101st was the one encouraging sight which met the nation's eyes each morning. The Battered — of Bastogne. "Nuts!" And when Hitler's mightiest push failed, it marked the last major German offensive of the war. The turning point.

Gen. Eisenhower flew to Mourmelon, France to award the Distinguished Unit Citation to the 101st—the first time in history an entire division was so honored. From that day forward recruits were told, "If you make the 101st, you are worth any two men." The division carries this reputation today.

This is what has the men of Frank Styler's ilk upset. There is a 21-foot high monument topped by a bronze eagle dedicated to the thousands of high-profile 101st soldiers who marched through Normandy on D-Day, outlasted Hitler at Bastogne, suffered the Vietnam Tet Offensive, protected the Ashau Valley, even helped quell the Detroit riots when the National Guard faltered . . . and nobody seems to care. The monument aside . . . have people actually forgotten? It is the old soldier's greatest fear.

"There were a half dozen of us that didn't expect we were going to come out of Bastogne no way. And we said at the time, if by some miracle we come out of this, we'd meet next Christmas and have a drink together," says Styler, who was awarded two purple hearts and a pair of bronze stars. "Well, we came out of it, but we never met. Still every Christmas Eve since that night I get a bottle of brandy, sit in my chair all alone and drink it until I can't do nothin'. Thirty-three years. And it's the only time I drink whiskey at all."

Sully Styler knows the other guys are doing the same thing. He doesn't have to ask. Such esprit de corps is a major part of the American military tradition. Reunions, newsletters, reliving battles, framed medals, Army shirt in the closet, remembering the green

of Ireland on the first crossing, general orders, the taste of K-rations, pride. Somehow, it has not gone the same for the Vietnam veterans and maybe that has something to do with our present nonconcern for military monuments. People aren't forgetting. They just don't want to remember.

"I was most sad for the Vietnam veterans," said Gen. Zais, who gave a rousing speech attacking the nation's indifference toward its fighting men. "The Vietnam vet has to subconsciously snake around where the World War II vet can brag. Thousands of these kids, who weren't even born during Bastogne, performed tremendously in battle, week after week, month after month slugging it out, getting blown up by mines, fighting a war nobody wanted."

"This was the first national monument to soldiers who fought in both wars. All anyone cared about was the Tomb of the Unknown Soldier. What about the known soldiers?"

It is a question no one can answer. There is certainly no acceptable answer for any of the 101st. What is there to say to Sully Styler? It is more than just a monument. It's a symbol of his life. He was mortared from a jeep during the war. Dizzy spells came 20 years later. Forced retirement. They gave him 10 per cent disability for an ankle spur. He paints apartments now, handles a 101st newsletter and writes poetry. His medals and the eagle patch are framed on the wall of his living room. *Purple Heart Magazine* is on the coffee table.

"Capt. Robert Phillips died a month after the last reunion and his wife wrote me and said, 'You must write a poem for Bob,' says Styler. 'I'll get around to it. I just don't feel like writing poems right now.'"

NATURALIZATION CEREMONY

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. RODINO. Mr. Speaker, ours is a land of immigrants. Since the landing of the *Mayflower* to the present, a large portion of the growth of our great Nation has been attributable to the process of immigration. It is by means of this system that persons seeking the benefits of our free society are given the opportunity for self-betterment as well as economic security for themselves and their families. At the same time, these individuals are able to contribute to the cultural and economic development of our country.

On November 16, I had the privilege of addressing 966 persons at Symphony Hall in Newark, N.J., on the occasion of their swearing in as U.S. citizens. By satisfying all of the requirements of our law regarding naturalization, these 966 persons demonstrated that they are ready to assume and exercise the privileges and responsibilities of U.S. citizenship. As naturalized citizens, these persons are entitled to all of the benefits conferred on U.S. citizens from birth, one of which is participation in the government which regulates their lives. To these newly naturalized citizens the phrase, government "for the people and by the people," takes on a different and much more real meaning.

The ceremony was conducted by New Jersey's chief U.S. district court judge, the Honorable Lawrence A. Whipple. It was truly a moving experience for me, and I wish to insert into the *Record* the eloquent and thought-provoking remarks

of others who were on hand to speak: Mario Noto, Deputy Commissioner, U.S. Immigration and Naturalization Service; Edwin Rubin, Chairman of the Immigration and Naturalization and Americanism Section of the New Jersey Bar Association; and Eunice F. Brown, State regent, New Jersey State Society of the National Society of the Daughters of the American Revolution.

I would also like to place into the RECORD at this point the article which appeared the following day in the Newark Star Ledger describing this significant ceremony:

REMARKS OF MARIO T. NOTO

For you new American citizens, this day will be one of your most treasured memories and it is a special privilege to join you. I feel I have been honored by the invitation to address you. I want to share with you, even though for a brief time, the emotion, the excitement and the pride which must be yours as you become citizens of the United States of America.

You have just acquired a highly prized heritage—American citizenship. I, too, am the son of immigrants. But, unlike me who acquired my American citizenship by the accident of birth, you have worked untiringly to earn your citizenship. Yours is a matter of choice.

You have adopted this land and your labor to acquire the sacred rights of American citizenship has not been easy. You have shown tremendous courage to divest yourselves of your allegiance to the land of your birth and to pledge a new allegiance to America. But, remember this, your faith and devotion to your new inheritance will be repaid by America a thousand fold. You have freely chosen to become a part of us and, today, we welcome you to our ranks of citizenship. We ask you to help us to preserve the basic values and truths which are the structure of our country—yours and mine. As Judge Whipple administers the law of the land, even as he sits here today, he too helps preserve our republic. As Senator Clifford Case untiringly works to improve the lot of the little people in America in our legislative body, the Senate of the United States, he too helps to preserve our nation and to help its people grow.

America is a land founded and built by immigrants—like yourselves. Its achievements were made through opportunities which people from other countries created with their untiring labor. Throughout the years, America has been strengthened by the blood, sweat and toil of immigrants and the sons and daughters of immigrants.

Who have been the immigrants who made America? People like you. They have been men and women possessed with strength and determination who helped to build upon the foundation created by our founding fathers. They have been men and women searching for a country where democracy and freedom and the rights of the individual are the paramount concepts of its existence where all people are equal regardless of race, color or religion.

Immigrants have brought heart, muscle, knowledge, and abilities to this land. They have contributed to the economic, social, and cultural growth of the America of today. On every highway of achievement and progress and in government and business, the immigrant and his children have helped to shape the destiny of this country. And because of this multi-national contribution our amalgamated society has no parallel in any other society in the world.

This country is a cultural mosaic and we are the stronger and better for it. America has prospered because of the diversity of its peoples. And, there is much you can add to America, much you can give to your new home. Each of you should use your pasts to

enrich your futures and in so doing enrich the lives of your fellow citizens. Do not give up your inherited rich culture; weave it into the American fabric.

I want to tell you the story of one son of immigrants. He lives here in Newark—in your midst—and he is with us here today. This son of Italian immigrants has shown America the meaning of loyal service and dedication to this—his country. He labored untiringly to become a lawyer. He labored diligently to be elected to the Congress of the United States so that he could serve his people better.

There came a time three years ago when the very foundations of our government were threatened. He had the courage to accept a challenge to lead our Congress at a time when the concepts of our republic were being attacked by a small group of men. He accepted the burden to restore the faith of our people in our government. This man believes that the strength and security of this nation lie in the integrity of our institutions and the trust and informed confidence of its people. This man, this son of Italian immigrants, is your own Congressman, Chairman of the House Judiciary Committee, the Honorable Peter W. Rodino, Jr. This man restored our faith in the democratic process.

Today our lives as American citizens are richer because of this one son of immigrants whose parents made the decision to come to America, just like you. Today, our American constitutional guarantees are preserved because of this one man's indomitable courage. His work at the start of the most historical investigation by the Congress in its impeachment process, tells the story of America. As you have accepted the challenge of American citizenship, Congressman Rodino accepted the challenge of preservation of government and as he began one of the most arduous tasks undertaken by one man, he said, "Let us go forward. Let us go forward into debate in good will, with honor and decency and with respect for the views of one another. Whatever we now decide, we must have the integrity and the decency, the will and the courage to decide rightly. Let us leave the Constitution as unimpaired for our children as our predecessors left it to us."

Why have immigrants come to America? Immigrants have come to America for many reasons—political oppression, persecution, economic dislocation and the opportunity for a better life. But underlying every reason men and women have always had the desire to become a member of, a part of, a society in which people are governed equally and where there is respect and protection for human rights to which all peoples are entitled.

What does it mean to be an American? It means that you are now possessed of those inalienable rights which belong to every American citizen—the freedom of worship, the freedom of speech, the freedom of the press, the freedom of assembly, the freedom to work in such occupation as you may see fit, the freedom to enjoy the fruits and labors of your work and the right to pursue your happiness. These are fundamental rights which are guaranteed to you because, in America, the Government is the servant of the people. Our country is a government of laws and not of men.

As you have acquired the inalienable rights I have mentioned, so too have you assumed certain responsibilities and duties. You have pledged your faith in our concept of government by and for the people. You too, now have a voice and a vote in the management of our government and its destiny. You now have the obligation to preserve our rights with your life, if need be, as America's sons have done in the past. You have pledged yourself to obliterate hate, prejudice, and bigotry. You have committed yourself to the American way of life.

As Americans you are now members of the

community, not in part, but in whole. You have committed yourselves not only to preserving what our forefathers built but to further building so that future generations of Americans will find an even greater and finer nation.

From this day forward, our flag is your flag—our country is your country—our land is your land. Fellow citizens, serve it well—serve it with honor—this, your new country, will serve you in your pursuit of life, liberty and happiness and I congratulate you.

REMARKS OF EDWIN R. RUBIN

Judge Whipple, Senator Case, Congressman Rodino, Deputy Commissioner Noto and new United States citizens.

On behalf of the New Jersey State Bar Association, I would like to welcome and congratulate the 966 new citizens just naturalized by Judge Whipple. You have heard congratulations from several speakers already and I would like to add mine as well as those of the New Jersey State Bar Association which is sponsoring this mass naturalization by providing the funds necessary for its staging. I would note at this point that the Newark Symphony Hall Corporation has generously donated the use of this facility.

As I had stated, you have heard congratulations from several speakers as well as myself. Now, I would like to congratulate those of us who were citizens of the United States, for we are honored by your selection of the United States as your adopted home. I am reminded by this ceremony of an event which occurred about twenty years ago when neighbors were trying to determine how to advise their adopted daughter that she had been adopted and was not their natural child. They decided to tell the child that she was very special for having been adopted. They told her that parents of a natural child, although they probably love the child very much, have no choice in the selection of that natural child. However, as an adopted child, she was specifically chosen to be adopted and in that choosing, was specially honored.

So, too, are we, the citizens of the United States as your adopted home. Therefore, we too, are to be congratulated for your having chosen us.

There are 53 or more countries represented by those naturalized today. Nine-hundred and sixty-six individuals from 53 or more countries have decided to make the United States, rather than their native homeland, their permanent home. For some of you, this is the end of a life-long dream, for others it may merely be a way of bringing to the United States certain close relatives while for others it is the chance to achieve economic, political or religious freedom. Whatever the reason, you may be assured that the United States provides the opportunity to achieve your dreams and ambitions. There are five speakers who have come here to greet you today, United States Senator Clifford Case, Congressman Peter Rodino, Jr., Deputy Commissioner of Immigration and Naturalization Mario T. Noto, Ms. Eunice Brown of the Daughters of the American Revolution and myself. Three of us on the stage are first generation Americans and sons of individuals such as yourself who immigrated to the United States.

May you make the most of this land of freedom and opportunity. Thank you.

REMARKS OF MISS EUNICE F. BROWN

My Fellow Citizens, as you enter another exciting season in your lives, new years filled with the hope and promise of things to come, we, the Daughters of the American Revolution, whose forefathers participated in the War for Independence, welcome you as new citizens. We assure you of the need for an enlightened citizenry, citizens who will demonstrate their love for this country by making their voices heard on the issues which they believe right. Study, if you will,

our past and present history, read about and listen to debates on current issues in your local areas, in your state and in the nation. Public opinion must be heard and we must strive to keep all the options inherent in our way of life that are stated in our Constitution and bill of rights.

What America means to the rest of the world is the hope for people everywhere. They should be able to walk with their heads erect and our responsibility as American citizens is always to make sure that our purposes transcend our differences.

Under our Republican form of government, freedoms and privileges are ours and by your priceless possession of American citizenship you enjoy the founding precepts of justice, freedom, humanity and equality.

With Judge Whipple's permission I would like to recite the American's Creed written many years ago by William Tyler Page.

"I believe in the United States of America as a government of the people, by the people, for the people; Whose just powers are derived from the consent of the governed; A democracy in a republic; A sovereign nation of many sovereign states; A perfect union, one and inseparable, Established upon those principles of freedom, equality, justice and humanity for which American patriots sacrificed their lives and fortunes. I therefore believe it is my duty to my country to love it; To support its constitution; to obey its laws; To respect its flag; to defend it against all enemies.

REMARKS OF HON. PETER W. RODINO, JR.

Ladies and gentlemen, it gives me great pleasure as well as pride to address you as "my fellow Americans." I'm honored to be here with my good friend Mario Noto, who, as Deputy Commissioner for Immigration and Naturalization, has worked long and hard to ensure that America's immigration policies are compassionate and just.

This afternoon, I am thinking of the more than one million foreign born men and women who have become American citizens since the repeal of the national origins quota in 1955. I am gratified at this because I have always believed that America's shores should be open to all peoples, from every country.

As I stand here before you, my faith is renewed that America's strength comes from its cultural diversity. We are truly a nation of nations. Our American culture has been derived from the most cherished traditions from all over the world. Each heritage is a priceless strand woven into the rich resplendent tapestry of American society.

After 200 years, America is still growing, and now you will become an integral part of its future. As you do, I hope that you will never lose sight of today's message—that America is truly a nation of immigrants. The more we learn about each other's heritage—the more understanding, more caring, more loving we are—the more American we truly become.

I am indeed proud to welcome you, my fellow Americans, to this great land.

966 IMMIGRANTS CELEBRATE AS THEIR CITIZENSHIP SAILS IN

(By Robert Rudolph)

At 2:20 p.m. yesterday, the United States—and New Jersey—gained 966 new citizens.

It took only a few brief moments as they stood en masse in the auditorium of Symphony Hall in Newark and recited after a federal judge the words of the Oath of Allegiance:

"I will support and defend the Constitution, the laws of the United States of America against all enemies foreign and domestic. . . ."

It was one of the largest mass citizenship hearings in the nation's history, and when it was over the nearly 1,000 immigrants were hailed as "fellow Americans" and told, "Our flag is your flag. . . . our land is your land."

Those participating in the ceremony had come to this country from 53 different nations, and included an entire family that had fled Castro's Cuba and three brothers who had emigrated together from their native Syria.

The atmosphere was both joyous and solemn as the new citizens, some holding small children, raised their right hands and recited the oath, and then erupted into smiles and applause as they were congratulated and told "the freedoms of America are now yours."

The special ceremony was designed to eliminate a mounting backlog of citizenship applicants in New Jersey, according to U.S. Immigration officials.

John T. Gaffney, district director of the U.S. Immigration and Naturalization Service, explained that because of the growing volume of immigrants in the state who have qualified for citizenship, the courts have been unable to keep up with the cases.

Usually, Gaffney noted, proceedings are scheduled three times a month in federal courts in New Jersey as well as at varying times in state courts, but because of the rapid increase in citizenship applicants, "the courts just don't have room" to deal with the situation.

The proceeding yesterday was believed to be the second largest mass citizenship hearing ever conducted.

Among those on hand to address the gathering were Sen. Clifford P. Case (R-N.J.), Rep. Peter W. Rodino (D-10th Dist.) and Mario T. Noto, deputy commissioner of the U.S. Immigration and Naturalization Service.

The hearing was conducted by Chief U.S. District Court Judge Lawrence A. Whipple, who administered the oath of citizenship.

Case told the new citizens, "I wish you well and welcome you" while Rodino referred to the country as a "nation of immigrants" and greeted the audience as the country's "new sons and daughters."

"You honor us by adopting our land," Noto told the crowd. "We welcome you with open arms."

Immigrants, Noto said, have given America its "heart" and "muscle."

"Don't give up your heritage; don't give up your customs. Weave it in with the American way of life—that's what makes America great."

As the immigrants filed onto the Symphony Hall stage to receive their citizenship papers, representatives of the Daughters of the American Revolution presented them with small American flags.

"Everybody says go to America, it is the land of the free," said Romeo Cruz, a native of the Philippines who was awaiting his turn to go on the stage to be presented with his papers. "It's true."

Higino Dominiques of Spain was beaming after being given his papers. "All my wish was to be a citizen," he said. "I'm very happy—very happy—you can see."

Louise Lima of Portugal, who had to have her emotions translated by a friend, said, "I wanted to become an American because it is good. I like America."

But, for many, the feelings of the moment were expressed in the words of Greek-born Jerry Skontrianos: "I wanted to become a citizen because this is the greatest country in the world. . . ."

UNITED STATES YIELDING TOO MUCH TO RUSSIANS, SAYS NATO

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. McDONALD. Mr. Speaker, even our NATO allies, who, traditionally, have been softer in negotiations with the Rus-

sians than the United States, have become alarmed at the rate the Carter administration is canceling and bargaining away weapons in the Free World arsenal. Western Europe would obviously feel more comfortable if the United States had gone ahead with the B-1 bomber, started production of the neutron bomb and not prematurely limited the range of the cruise missile. President Carter should heed their views, if he really wishes to strengthen NATO. The article from the Daily Telegraph of London for December 6, 1977 follows:

U.S. YIELDING TOO MUCH TO RUSSIANS, SAYS NATO

(By Clare Hollingworth)

European members of NATO, meeting in Brussels yesterday, expressed concern that the United States was yielding far too much to Russian pressure in its efforts to reach an agreement on strategic arms limitation.

Defense ministers were talking in private of a widening gap on defense issues and policy between the European members of NATO, especially the United Kingdom and Western Germany, and the United States.

Deep concern was expressed that Mr. Warnke, chief SALT negotiator, had pledged the United States to limit the range of the sea-launched Cruise missile to 370 miles. This would fall to reach the prime Warsaw Pact targets even in Eastern Europe without considering the more important one within Russia.

Further, President Carter's agreement to leave all options open for three years to decide whether or not the United States wanted to deploy the Cruise missile was "just killing it," one expert said.

NEUTRON ALARM

Secondly, President Carter's decision not to produce the neutron bomb, referred to as "an enhanced radiation weapon," is regarded by many strategists in Brussels as downright alarming.

The neutron bomb was dubbed "the greatest deterrent" because it could halt a surprise attack by Warsaw Pact tanks in a matter of hours. Other nuclear weapons would cause greater loss of life.

Mr. Harold Brown, the United States Defense Secretary, will address the full meeting of NATO defense ministers later today. In the past he has been a staunch supporter of the Cruise missile which can fly under the radar beam and hit distant pre-selected targets.

EUROPEAN VERSION

Although the Americans will not pass the technical knowhow on to European governments for the long-range Cruise missile, experts believe that the British, Germans and French could co-operate to produce a European version of Cruise missile.

The 11 European defense ministers also expressed the view that SALT could result in the Americans reviewing their options on future defense policy and equipment they might require.

PRESIDENTIAL STEEL POLICIES

Hon. John E. "Jack" Cunningham

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. CUNNINGHAM. Mr. Speaker, I am encouraged to see that the administration has begun to come to grips with the problems created by policies of our own Government in the domestic steel industry. However, care must be taken that the proposed solutions do not make the problem worse.

We have yet to see how the trigger price mechanism announced by the President will work in fact. Certainly the dumping of underpriced steel on American markets has been costly in terms of jobs for our own citizens.

I am concerned, Mr. Speaker, that the environmental and tax relief offered to the domestic steel industry falls far short of what is required. There are no specific programs to relax environmental goals, which could be done with no harm to our citizens and which would release large amounts of capital for modernization of American steel plants. As for the tax proposals, the amount of cash flow assistance which would result is limited and other changes in our tax laws necessary to make capital recovery in the United States comparable to that in other steel-producing nations is insufficient.

The origins of these problems stem from many years of neglect of the economic realities facing the domestic steel industry at home and abroad. They reflect long term policy by this Government and I have tried to address some of them in the Jobs Protection Act of 1977.

As a member of the Steel Caucus, I look forward to protecting the jobs of American steelworkers by making our free enterprise system work more efficiently. That is why I am particularly concerned about two other aspects of the President's program. One is the provision for loan guarantees which might be a step toward Federal takeover of the mills or place the Government in a position to control segments of the market. The other is the formation of the tripartite committee of labor, industry, and Government representatives. This group might well squeeze out members of the Steel Caucus and other elected representatives of the people from the decisionmaking process.

On the whole, I am cautiously optimistic about the administration's solutions as proposed. I look forward to full and free debate in Congress on this vital matter and for full participation by all people concerned with the preservation of jobs in the American steel industry.

COLONIALIST CUBA

HON. HAROLD C. HOLLENBECK

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. HOLLENBECK. Mr. Speaker, earlier this year I called for the creation of an ad hoc congressional committee to study the issue of normalizing our relations with Cuba. At that time, I was especially concerned over administration pronouncements that negotiations leading up to normalization could proceed without any preconditions. Therefore, I urged that careful consideration be given to the issues of human rights, the rights and concerns of Cuban-Americans, and the Castro government's foreign policy as prerequisites for improved relations.

In recent weeks the administration has finally started demonstrating some awareness of the seriousness and complexity of these issues. In particular, we are now being told that the Cuban mili-

tary presence in Africa is neither stabilizing nor innocuous. Although Premier Castro had given his word that the Cuban military involvement in Angola would be reduced, recently published reports indicate that the reverse is happening.

The addition of 6,000 Cuban troops to that country's forces in Angola bring its commitment in that country alone to almost 20,000. In relation to the Cuban population, that figure is comparable to American involvement in Vietnam at the height of the war. In light of these disclosures, it is hard to avoid the conclusion that Castro is acting as a surrogate for the Soviet Union in Africa, in addition to furthering his own revolutionary image.

A particularly perceptive and provocative analysis of this growing problem was printed in the Christian Science Monitor. The Monitor editorial correctly emphasizes the need for caution and restraint in this matter, and I would like to share it with my colleagues:

COLONIALIST CUBA

Don't look now but the United States is publicly having some second thoughts about the growing Cuban military presence in Africa. Administration spokesmen have fairly peppered the airwaves in recent days with expressions of concern. The White House has pointedly commented. So has the State Department. Even Andrew Young warns that Cuba and the Soviet Union are spreading conflict on the African continent.

This is in marked contrast to early Carter days when the line was to minimize the Cuban involvement as a potential threat to the West's interests. Mr. Young even caused a mild storm when he suggested the Cubans helped "stabilize" Angola. Apparently the President sees that such statements may have sent out the wrong signals to Fidel Castro and he now is making Cuban withdrawal from Angola a stronger precondition for normalization of U.S.-Cuban ties.

The concern is justified. Rather than disengaging from Angola, Cuba is expanding its presence. Today it has some 20,000 troops plus about 5,000 civilian advisers there, virtually replacing the Portuguese as a colonial power. Proportionate to Cuba's population, say U.S. officials, Cuba is as deeply involved in Angola as the United States was in Vietnam.

Of possibly even greater concern is the Cuban buildup in the conflict-ridden Horn of Africa. Castro is estimated to have about 400 Army officers and soldiers in Ethiopia, where the Russians are trying to establish a foothold. Some of them may actually be fighting Somali guerrillas in the Ogaden region. In addition, the Cubans have military as well as civilian advisers in a dozen or so other African countries.

As long as the Cubans stick to building roads and hospitals and providing other such services, we agree with Ambassador Young that there is no cause to get excited. Aid is aid and it can be left to the Africans to decide whether they will take or leave the Marxist baggage that inevitably goes along with it. But Castro probably is less interested in the welfare of the Africans than in projecting Cuba as a revolutionary country able to sway the course of political history in far corners of the globe. His compulsion to daily in Africa is all the greater given the failure of Cuban messianism in Latin America in the 1960s.

For Washington, Cuba's expanding role in Africa therefore poses a conundrum. The military role indeed is worrisome if it stirs up local conflicts and, as Mr. Young suggests, helps support repressive regimes that "maintain power by killing off the opposition." But

how far the United States should get enmeshed with military aid—in the Horn of Africa, say—is open to question.

It would seem wise to let the African nations themselves deal with a problem of foreign influence affecting their continent. Presumably they no more countenance Cuban "neocolonialism" than they did Western colonialism. Certainly the Organization of African Unity can take the lead in pointing out the dangers to stability and calling for moderation.

This is not to rule out strong diplomatic involvement or even prudent military aid where the situation warrants. Obviously the United States must keep its options open. But caution and restraint are preferable to getting sucked into messy regional disputes. Meanwhile, President Carter is right in pressing Castro on the issue, although quieter diplomacy might tactically be better than public lecturing. We do not see why the American people should be asked to restore diplomatic relations with Cuba—and eventually contribute to its economy—when the Cubans are swashbuckling across Africa and spending an inordinate share of their budget to do so.

EAST-WEST TRADE IMBALANCE THREATENS UNITED STATES

HON. DAN QUAYLE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. QUAYLE. Mr. Speaker, there is much discussion today concerning international trade.

A recent study by the Education and Research Institute of the American Conservative Union focuses on the East-West imbalance and the implications for the United States. So that others may benefit from this study, I am reprinting it here.

THE GROWTH OF TRADE

There is nothing new about trade with the East. American firms have done business with the Communists since the 1920's. Driven by their ambitious economic plans, the Communists have always been eager to import whatever goods they cannot produce.

But trade volume jumped sharply during the Nixon Administration. To spur detente, the U.S. government took special steps to make it easier for Communist nations to buy American goods. Between 1971 and 1972, U.S. exports to the Communists more than doubled, from \$384 million to \$883 million. The next year, exports jumped again, nearly tripling to about \$2.5 billion. By 1976, the figure was more than \$3.6 billion. It had increased 1,762 per cent in ten years.²

During the same period, the growth of U.S. imports from Communist nations lagged behind exports. The ten-year increase was 495 per cent. In 1976, imports were still under \$1.1 billion.

Since American exports grew more rapidly than American imports, the balance of payments tilted sharply in favor of the U.S. The one-year American surplus from East-West trade in 1967 was \$15 million; the same figure for 1976 had soared over \$2.5 million. For the ten-year period ending in 1976, the surplus totaled more than \$8.7 billion.³

FINANCING TRADE

Since the Communists were buying more than they were selling, money had to flow from East to West. Often, however, the funds with which the Communists paid American firms were borrowed from American taxpayers.

The Soviet Union, for example, had borrowed \$588 million from the U.S. Export-Im-

port Bank through 1974. The Soviets borrowed \$550 million more from the Commodity Credit Corporation (part of the Agriculture Department) in 1972-4. And at the same time, borrowed comparable amounts from U.S. commercial banks.¹

Eager to promote exports, the government usually gave the Communists relatively generous repayment terms. For 1973-4, for example, most Eximbank loans to the U.S.S.R. were at six per cent interest. Payments were deferred, anywhere from four to 11 years.

Loans were so generous, in fact, that by this year many financiers thought the Communists' indebtedness was threatening to exceed their ability to pay. Debts to the West were estimated as high as \$50 billion in 1976—and projected to reach \$100 billion by 1980.²

A government becomes a credit risk when its debt service is greater than a fifth of its hard-currency export earnings, according to Miles Costick, an authority on East-West trade. Soviet debt service now amounts to about 26 per cent of hard currency earnings. Polish debt service is even higher, and American creditors are growing uneasy. A large default by the Communists could embarrass or even ruin many American financiers.³

The Communists hotly deny that they have overextended their borrowing, and their recent record of paying off recent loans is impressive. But their debt continues to grow, and while it does, American financial stability will become increasingly dependent on loan payments that may not always be forthcoming.

WHAT WE TRADE

The government divides trade commodities into two categories—strategic and non-strategic. Strategic goods and technology, according to the Commerce Department, are those "that could contribute to the military potential of another country, or could be detrimental to the national security of the United States."

Strategic goods include military equipment such as weapons, explosives, and armed vehicles. Such goods have virtually never been sold directly to the Communists—with one major exception: the Lend-Lease shipments of World War II.

Other strategic goods have less obvious military applications. While the U.S. rarely sells the Communists tanks, for example, it does sell them much of the material and technology from which tanks are made. In the last decade, the Communists have been able to import, in large quantities, strategic goods such as computers, trucks, ball bearings, and nuclear technology—all of which have military applications.

Non-strategic goods, which make up the bulk of East-West trade, range from wheat to minerals, from medical supplies to lumber, from cattle hides to bottles. In the first six months of 1976 alone, more than 1,300 different types of non-strategic goods were exported to Communist nations.

"Non-strategic" exports are not, however, without strategic significance. While they themselves may have no strategic uses, they free up Soviet industry to produce strategic goods. Soviet imports of American wheat, for instance, have allowed the U.S.S.R. to bolster its military effort. To the extent that we rescue the Bolsheviks from self-created problems on the homefront, we give them leeway for new adventures in the Mideast, or Angola. And we also permit them to devote their economic energies to arms (some 40 per cent of the Soviet GNP, it is estimated, goes directly or indirectly into the military).

Indeed, as noted by Costick, our agricultural aid promotes the Soviet global drive directly, since Moscow turns around and transships American grain to bind its satellites more closely. In 1972 and 1973, after

purchasing 19 million tons of U.S. wheat, the Soviets transshipped some two million tons of food grain to India, one million tons to Czechoslovakia, and several shiploads to Salvador Allende's Chile.

Costick argues that agricultural weakness is the Achilles heel of the Soviet empire while agricultural productivity is the unused secret weapon of the United States. Unfortunately, he shows, we are supplying Moscow's defects and throwing away our own advantages in the present conduct of our trade policy:

"... the import of grain from abroad allows the Soviet Union to devote their limited resources to their military industrial complex. Besides direct benefits from grain imports themselves, the United States also has rendered valuable technical assistance to the Soviets' agricultural industry to make it more productive. Hybrid developments and irrigation technology have been transferred as well as assistance in the construction of enormous fertilizer plants.

"Finally, the United States is assisting in the construction of large storage facilities so that the Soviets will have their own reserves available in the event of disaster or war."⁴

GETTING AN EXPORT LICENSE

To export a strategic good, an American firm has to apply for an export license from the Commerce Department. Commerce grants licenses only for exports it considers strategically advisable, and it has the power to stop others. In the era of detente, however, Commerce has looked on most applications with favor.

The licensing process is strictly confidential. Information contained in license applications, including the name of the applying firm, is jealously guarded by Commerce—for the purpose, ostensibly, of protecting the firm's freedom to negotiate. Whatever the rationale, the effect is that the American public and press have no voice in, and little knowledge of, Commerce's strategic decisions (except in those rare cases when a firm reveals its own identity, or when the Secretary of Commerce rules that publication is in the national interest).

EAST-WEST TRADE AND THE COMMUNIST MILITARY

The major impact of our trade policy is in the realm of high technology—computers, chemicals, lasers, industrial machinery. Despite the official policy supposedly prohibiting trade of items that have strategic value to the Communists, this policy has been extensively modified by declaring strategic items "non-strategic."

Thus the export list for 1974 includes "non-military aircraft" shipped to Communist China—although there is no appreciable difference between a military transport and a commercial one. The Peking list also includes \$2 million worth of steel scrap; trade with Poland includes airborne navigation equipment, computers, and lasers. Trade with Moscow includes lubricating grease, computers, "civil airborne communications equipment," lasers, and synthetic rubber.⁵

East-West trade made headlines this summer when the Carter Administration stopped the sale of the sophisticated Cyber-76 computer technology—including knowhow for computer had military potential far in advance of any Soviet-built model. The Cyber-76 deal, however, was one of the few the U.S. has halted.

No one denies that virtually all Soviet computer technology—including know how for military computers—is imported from the West. Nevertheless, in the four years before Cyber-76, Commerce licensed \$300 million worth of computer sales to the Soviets.⁶ Transactions peaked in the fall of 1976, when the government approved two key Control Data Corporation sales: a Cyber-73 to the U.S.S.R., and two Cyber 172's to Mainland

China.⁷ The Energy Research and Development Administration and the Pentagon opposed the sales, since both computers can be put to sophisticated military use. But Commerce overrode the objections and licensed the sales.

The computer technology the Soviets have bought from the U.S. is essential in modern war. "Without computers," Costick notes, "modern weapons systems could not be built, integrated, tested, deployed, kept combat-ready and operated. . . . Missiles, aircraft, tanks, high-performance, satellite-based surveillance systems, ABM defense systems, and submarines incorporate computers as part of their armament."⁸ Thus the Soviet military must depend heavily on imported computer technology.

In addition, the United States is building for the Soviets the largest truck factory in the world. The Kama River plant, when completed, will be able to turn out 150,000 heavy duty trucks a year—more than the capacity of all U.S. heavy truck manufacturers put together. This factory will be capable of producing tanks, military scout cars, rocket launchers, and trucks for military transport, but it is approved as "non-strategic."⁹

Nor is such conversion of a Soviet truck factory to military uses a point of speculation. The existing Communist war machine has been built almost entirely from Western exports, employing American and other Western plants and designs. The Gorky auto plant built for the Soviets by Ford Motor Co., for instance, produced the GAZ trucks used on the Ho Chi Minh trail. The Soviet ZIL truck is the product of another U.S.-built plant, while Soviet tanks employ American design components. The cargo ships that were used to haul these materials to Vietnam were also products of our technology.¹⁰

Antony Sutton details numerous other instances of American technology with military application being transferred, directly or indirectly, to the Soviets: So-called "transfermatic" machines used for producing automobile engines, aircraft technology, oil refining processes, fertilizer plants (useful for making explosives as well as for agriculture), computer technology, and so on.

Sutton puts it this way: "It has been estimated that between 70 and 75 per cent of the annual Soviet military expenditure goes to industry for the purchase of armaments. . . . It is the availability of Western technology that makes Soviet industry more efficient. The impact of this technology releases resources for military efforts and also insures that the Soviet industrial-military complex incorporates the latest Western manufacturing techniques."¹¹

East-West trade has also been instrumental in the Soviet missile build-up. According to Philip C. Clarke of the American Security Council, it is generally agreed that if we had not sold the Soviets new, miniature ball-bearing technology, they would have been much slower to develop multiple nuclear warheads (MIRVs). When the exports were still in the planning stage, numerous authorities told Commerce that the bearings were available only in the U.S., and were far superior to anything the Soviets could make. Nevertheless, the exports were licensed, and the U.S.S.R. quickly produced MIRV weapons.¹²

Communist shipping is another industry based primarily on Western technology. According to the U.S.S.R.'s statistics, 84 of the 96 Soviet ships that supplied Hanoi during the Vietnam War were powered by Western engines.¹³ Some of the ships were entirely Western; a few were entirely American.

Nor is shipping the final example. The Soviet MIG 17, an advanced warplane, runs on Rolls-Royce engines. Soviet 122mm field guns use propellant technology obtained from American chemical firms. Literally hundreds

Footnotes at end of article.

of similar examples can be found in Sutton's voluminous research (*Western Technology and Soviet Economic Development*, three vol., Hoover Institution).

Sutton marshals impressive evidence that without East-West trade, the Soviet military would be drastically different—and indeed drastically inferior. Advanced Soviet military equipment continues to incorporate imported goods and technology. It seems unlikely that the Soviets would use Western components if they could make the same goods efficiently themselves. In consequence, U.S. trade policy is a key component of U.S. strategic policy. If the Communists could not import the goods they now import, they could not build the weapons they now build.—By Horace D. Nalle, Jr., Policy Research Staff.

FOOTNOTES

¹ Not furnished in text.

² *Export Administration Report*, Semi-annual April/Sept. 1976, Chap. 4.

³ *East-West Foreign Trade Board Report*, Second Quarter 1976, U.S. Government Printing Office, 1977, Chap. 4.

⁴ Porter, Suzanne F., *East-West Trade Financing—An Introductory Guide*, U.S. Government Printing Office, Sept. 1976.

⁵ *Ibid.*

⁶ *Ibid.*

⁷ Costick, Miles M., *The Economics of Detente and U.S. Soviet Grain Trade*, The Heritage Foundation, 1976, p. 87.

⁸ Evans, M. Stanton, "Foods Aid to Reds Helps Fuel Their Military Capability," *Human Events*, April 17, 1976, p. 12.

⁹ *Congressional Record*, April 4, 1977, p. E. 2039.

¹⁰ *Ibid.*

¹¹ *Ibid.*

¹² Evans, M. Stanton, p. 12.

¹³ Sutton, Anthony, *Western Technology and Soviet Economic Development*, Hoover Institution, pp. 398-399.

¹⁴ *Ibid.*

¹⁵ *Congressional Record*, March 22, 1976, p. S 3945.

¹⁶ Ashbrook, John, "Soviet Military Might: Western Made," *New Guard*, January/February 1977.

THAT DECLINE IN BUSINESS CONFIDENCE

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. LAGOMARSINO. Mr. Speaker, I would like to bring to the attention of my colleagues the following column by George Will entitled: "That Decline in Business Confidence":

THAT DECLINE IN BUSINESS CONFIDENCE

By George F. Will

This city tends to discount the rationality of today's stock market because the market's decline only reflects the collective judgment of people handling their own money, an activity strange and a bit repellent to Washington. And when Washington worries about the "confidence" of businessmen, Washington's brow furrows, like the brow of an Anglican missionary who is trying to fathom the spiritual life of savages.

But the decline of business confidence is not neurotic; it is rational. It is correlated with a decline in the rate of return on invested capital. The average rate was 13.4 per cent in 1966, 9.2 in 1976. Profits as a per cent of gross national product were 9 per cent in 1966, under 5 in 1976.

Furthermore, even today's profits are overstated because assets—and hence depreciation deductions—are calculated on the basis

of original costs, not what it would cost to replace them after years of high inflation. For example, in the steel industry, replacement costs may be triple historical costs. Thus, many steel companies' deductions should be higher, and their real profits should be listed as lower, or non-existent.

Professor Martin Feldstein of Harvard estimates that in 1976 corporations may have paid taxes on \$20 billion in exaggerated profits. Inflated profit statements incite union demands for higher wages and shareholder demands for generous dividends. But profits are shrinking, plants are aging on the basis of American productivity is eroding.

Until there are accounting practices more suited to an environment of high inflation, investors will doubt their ability to assess the assets of corporations seeking investments. No wonder investment is increasing more slowly than in any postwar recovery. And most investment in basic industry is not for more efficient capacity but for adapting to new energy forms or for acquiring government-mandated pollution controls.

Throughout American history, improved productivity generally has been achieved by enriching the mixture of labor and capital with better capital goods. But as Arthur Burns, chairman of the Federal Reserve Board, notes: "Whereas in the 1950s and 1960s the ratio of capital stock to the work force increased by more than 2 per cent a year, it rose by only about 1 per cent in the early part of this decade and has actually slipped somewhat in the last two years."

It is said business is reluctant to invest because of "uncertainty." Actually, business reluctance reflects the virtual certainty that inflation will remain intolerably high and that government will require corporations to devote more resources to environmental and other social purposes.

This diversion of resources may solve problems, but not without causing problems. For example, it diminishes the ability of American firms to compete in international markets against firms that are not similarly burdened with social obligations. And one out of every eight manufacturing workers in the United States produces goods for export; about one-third of corporate profit derives from exports and investments.

Lack of confidence produces additional grounds for lack of confidence, including low investment, slow growth of productivity, and the increased likelihood that a strengthened recovery would be aborted by capacity and resource shortages and by inflation.

Not surprisingly, business is less confident after the first year of the Carter administration, which has proposed various measures to increase taxes, and other measures that will increase inflationary pressures.

The Social Security and energy legislation may increase tax collections by more than \$50 billion through 1981. The administration has favored a higher minimum wage, restrictions on imports of inexpensive shoes and television sets, higher prices for sugar (and hence of products that contain it) that will cost consumers \$1 billion annually, higher price supports for milk, less acreage for grain production, expensive new mine-safety requirements for which consumers will pay. Proposed new tanker regulations would add \$1 billion a year to the nation's oil bill. The administration's proposed welfare reform might increase federal spending five times more than the \$2.8 billion the administration estimates.

The point is not that all or any of these developments are indefensible, but that, cumulatively, they are incompatible with rational business confidence. So is this fact, cheerfully cited by a U.S. senator: Assuming only 5.75 per cent annual wage inflation, compounded until the year 2050, the average American's income will be \$630,395 a year.

HELEN FREY

HON. LEO C. ZEFERETTI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. ZEFERETTI. Mr. Speaker, if someone were to list the names of the 10 most outstanding women in Brooklyn today, the name of Helen Frey would be very high on that list.

First of all, to say that she is a devout Brooklynite in the finest sense of the word, is really an understatement. Born, raised, and educated in Brooklyn, Helen is everything that many of the zealots in the women's movement would love to be. Successful, independent, and attractive, she has lived in Brooklyn all her life and, aside from her interest in, and concern for, the quality of life in Brooklyn, she has few peers as a businesswoman and an imaginative innovator in the world of banking, and as president of the Flatbush Federal Savings and Loan Association of Brooklyn for the last 20 years, this interest and loyalty has not gone unnoticed by groups like the American Legion, the Flatbush-Nostrand Board of Trade, the Greater New York YMCA, Cancer Care, and several other prominent organizations that have honored her over the years for her "inspired leadership and enthusiastic support of the betterment of the Flatbush community and the Borough of Brooklyn."

But this woman's interest and efforts go far beyond her role as president of one of the most widely respected savings and loan associations within the banking community. A charter member of the Women's Association of Savings and Loan Institutions, she is second vice-chairman of the Flatbush YMCA board of managers; a member of the business and finance committee of the Greater New York YMCA; a member of the board of managers of Nazareth Diocesan High School; a member of the development advisory committee of Angel Guardian Home; a member of the Brooklyn Organization for Rehabilitation Through Training; a vice president of the Library Associates of Brooklyn College; a member of the finance committee of the Diocese of Brooklyn.

In addition to all of these many involvements in the life of Brooklyn, she has been honored over and over for her countless commitments across the city. The honor she has received have come from as varied a spectrum as the American Legion Post No. 931, the Flatbush-Nostrand board of trade, Cancer Care, Inc., the American Legion Baseball League and more recently at a testimonial dinner in her honor from the Congregation B'nai Jacob where she was the first woman to receive this honor. And it was only a few years ago when the late Borough President Abe Stark set aside a special day as Helen T. Frey Day in Brooklyn. And a few years later, the Greater New York YMCA singled her out as Woman of the Year.

But Helen's love of the city was perhaps never more affectionately dramatized than when she initiated the New

York City I Love You Campaign which became infectious in its spirit even reaching down to the White House, where Mrs. Roslyn Carter proudly brought along one of Helen's New York City I Love You shopping bags on her visit to San Jose, Costa Rica, Central America.

But it was William Reel of the Daily News who best summed up the effectiveness and influence of Helen's campaign and of Helen herself when he wrote:

Helen is just as affable as she is successful. She lives in a two-family house on a typical Flatbush street and her immediate neighbors are of all creeds and colors.

One mark of her achievements is that when she became president of the Flatbush Federal Savings and Loan Association of Brooklyn 20 years ago, the assets were listed as \$24,067,527. Today, the assets are over \$136 million. But the true mark of this woman is her loyalty to, and love of, the great borough that has always been her home and that she has tried to instill in the thousands who pass by her office every day and are, in the truest sense of the word, her neighbors.

SECRETARY CALIFANO'S SPEECH AT WHITNEY YOUNG MAGNET HIGH SCHOOL

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. FORD of Michigan. Mr. Speaker, Federal leadership in education is essential if your schools and colleges are to fulfill their obligation to provide students with equal access to quality education. HEW Secretary Joseph A. Califano, Jr., addressed many of the important issues facing our schools and outlined creative Federal initiatives in his November 3, 1977, speech at Whitney Young Magnet High School in Chicago, Ill.

Secretary Califano's speech observes the close reading of everyone concerned with the education of our youth.

His speech before Whitney Young Magnet High School follows; and will provide the Members of Congress with some insights into the educational policies being developed by the administration.

REMARKS OF JOSEPH A. CALIFANO, JR.

I am glad to be here today, for several reasons.

I wanted to see a school that represents the good things about American education—and Whitney Young is that kind of school. Your five thousand applicants for five hundred places in your student body are dramatic evidence of your attractiveness.

I wanted to see a school where new ideas are at work: continuing education for teachers, innovative curricula, work-study programs, opportunities for handicapped students to share fully in the life of the school. This is a school where morale is high—because good things happen here.

And I wanted to be here at Whitney Young today, on the day of a very important playoff game, to root for the Dolphins. I'm impressed by the six-one record piled up by Whitney Young's football team—I only wish the Washington Redskins could boast as good a record!

I grew up in Brooklyn, New York, in the

1930s and 40s. My family was like hundreds of others in hundreds of other cities: not rich, not poor; not visibly different from millions of other families.

What made the difference in my life; what opened up opportunities I might never otherwise have known, was education: first, rigorous schooling in my early years, which my father and my schoolteacher mother encouraged.

And then, the opportunity to attend a great Jesuit college and a great university law school—to be challenged by great intellects; to have my sense of my own possibilities broadened and deepened by people who expected me to do my best.

Education was the shaping influence in my life—as it has been for many others.

President Lyndon Johnson, the great education President, for whom I worked in the 1960s, was determined that every child everywhere should have "all the best education they can take." And when President Johnson signed the most sweeping education law of our generation, he had at his side, not another high government official—but his first grade teacher from Texas.

The autobiography of President Jimmy Carter, "Why Not the Best?", is in many ways a tribute to the role of one school in his life: a little school in Plains, Georgia.

He was so deeply influenced by his teacher there, Miss Julia Coleman, that he mentioned her in his inaugural address.

Whitney Young reminds me of the days when I grew up in New York City, when the great schools were our public high schools—Bronx Science, for example, where gifted math and science students from all over the City came to develop their talents and to excel. In those days, the urban high schools were gateways to opportunity and personal development—so Whitney Young is today.

But Whitney Young is the exception today. For at this time, the diplomas of urban high schools are too often worth less tickets for a merry-go-round of dead end jobs and unemployment, rather than certificates of accomplishment opening gates of employment opportunity and personal achievement.

Nowhere are the problems—and the potential—of American education driven home more starkly than in our great cities and in our secondary schools.

Though the average size of the high schools in America has climbed gradually, to about six hundred students, urban high schools regularly contain two or three, sometimes six thousand students.

There comes a milestone in the growth of schools, as James Coleman points out, when students pass from knowing one another's faces, to not knowing them; when teachers pass from knowing all their students' names, to not knowing them. The urban high schools, by and large, are on the wrong side of that milestone.

In many big cities, a single guidance counselor is called on to provide course and career advice to five hundred, and even a thousand students.

Property destruction grotesquely mimics the human destruction in many urban high schools. Schools pay at least \$600 million a year for the ruin caused by vandalism. New York alone spends \$5 million a year to repair vandal damages; Los Angeles nearly \$4 million.

Suicides, runaways, alcoholism, drug abuse and crime are no longer shocking exceptions: they have become heartbreakingly commonplace for high school students who have lost hope.

Teenage pregnancy is epidemic. One out of ten seventeen-year-old girls in the U.S. is a mother. Of the 220,000 under seventeen who gave birth in 1974, 15% of them were having their second or third child.

Some big city schools experience a dropout rate as high as 50 per cent. Students in the poorest center cities in the Northeast

and Midwest drop out at a rate nearly double the proportion in our poorest rural centers.

Truancy and absenteeism are rampant. In many large cities, on a given day, half of the enrolled students may be absent. In many urban secondary schools in poverty areas, the absentee rate runs consistently at 30 per cent.

The city's social context offers scant support to the urban student. Poor kids in the cities lack the extended families which so often provide a rich background of traditions and love. They live in unstable communities; I visited an elementary school in the South Bronx where 60 per cent of the 600 children there were in their third school that year. The examples around poor school children do little to encourage their aspirations—their fathers, older brothers, and sisters are unemployed; their neighborhood is a mess.

This is a grim picture for much of urban America and much of urban secondary education. But it does not argue for despair. It does remind us that schools cannot solve all our social ills—and that schools will mirror the neighborhoods in which they are set.

And it does present a challenge of unprecedented proportions. For no institutions in urban America are in greater need of re-examination and perhaps fundamental transformation than our secondary schools.

It's time to ask some fundamental questions about American secondary education. Should the colleges be offering courses in the high schools? Should the grammar school-junior high-high school lock step give way to new arrangements more appropriate to our new circumstances? Should local business and industry collaborate with the schools in developing their curricula? Should the schools reach out to their neighborhoods—providing health and social services, recreation, and community focus? Should the schools reach out to the "preschool" child and the retiree? Should we let a high school student work full time for several months or a year before graduating? Should we encourage—or even require—students far below par in basic skills to go to summer school before passing to the next grade?

We need to be asking fundamental questions like these, and we need to begin acting on the answers. Nothing short of a revolution in American education might take place; nothing short of that revolution might be just what we need.

Increasingly this challenge is perceived—and many are acting on it. Many dedicated teachers are doing a good job; many motivated students have quietly gained a good education; many compassionate administrators have avoided the easy retreat behind the shield of bureaucracy.

Today city schools with imaginative principals have more alternative and innovative programs—schools within schools, and experimental curricula, and alternative grading methods—than any other kind of schools.

Business leaders are entering into new and exciting partnerships with the schools—alliances that help fight hard-core youth unemployment.

City parents are eager to get the best possible education for their children—and they are learning how to make their cry for quality education heard.

To meet the needs of big city students—to tackle the problems facing all of American education—the first step must be just this kind of commitment: the determination to succeed.

Traditionally, the responsibility for elementary and secondary education has been a State and local one. This tradition is a healthy and necessary one—encouraging diversity and ensuring that the particular educational needs of particular communities are met with appropriate responses.

But the Federal government also has a

vital role to play. In 1960—when some of you were not even born—the Federal government spent well under a billion dollars a year in support of education. By last year, our Federal support for elementary and secondary education had grown to a more than \$5 billion effort.

The first goal of the Federal education effort is to increase access to education and to help move America towards equal educational opportunity.

We must never lose sight of the fact that American schools have taken on an enormous responsibility, unprecedented in human history—the goal of equal educational opportunity for all. For people from minority backgrounds and low income families; for those who have special language and cultural needs; for people with physical handicaps.

Only a wasteful nation would fail to develop the rich human talents these students possess; only a heartless nation would ignore the special obstacles they face.

We have made striking progress in our effort to broaden access to education in America. But the many efforts of the Federal government to broaden access must, and will, continue.

Our biggest program—Title I of the Elementary and Secondary Education Act of 1965—provides compensatory, catch-up education. It helps prevent our neediest children from being left behind in the educational process. Title I works: it reaches twenty percent of all students in our public elementary schools, and those children are learning more during the year because of Title I.

But we are seeking ways to make Title I work even better:

We have already increased support for Title I from 2.3 billion dollars this school year to 2.7 billion the next year. This extra funding will help school districts like Chicago, with large numbers of poor families, provide access to a quality education for all school children.

We are committed to strengthening further the present Title I program so that it may more effectively fulfill its important objectives.

We are also exploring new ways to help Title I areas with especially large concentrations of needy children. Schools in these areas—in cities like Chicago and in many rural areas—have special needs for compensatory education services. The enormous burdens borne by those communities—and by the schools and teachers that serve them—make educational achievement harder—and more expensive—to attain.

We will also explore extending compensatory education in our high schools. Only five percent of all secondary school students receive compensatory education services under Title I—a fraction four times smaller than the fraction in elementary schools. Yet it is in high schools where test scores in many areas are falling and where drop-out rates are the highest. Title I is making gains in elementary schools; we need to build on these gains, and to sustain them in secondary schools.

We must establish effective summer programs. All too often gains that children make during the year evaporate once they leave school for the summer.

A second program that helps to broaden access to our schools is bilingual education.

There are more than three million Hispanic and other children in this country whose native language is not English. Chicago has 25,000 of these children. They too deserve a quality education, and we hope to strengthen our efforts to help ensure that they get one.

A difficult issue in bilingual education is how to combine differing purposes the program can serve. Should we focus the program on teaching English and on bringing students into the mainstream of American society? Or, should we emphasize appreciation

of each student's cultural heritage? This is not an easy question and there is no simple answer. Both goals are desirable. As we continue to develop and test new and better ways to provide bilingual education, we must find the proper blend of goals to guide our efforts.

One method of improving bilingual education is to emphasize training teachers to work with bilingual children. Teaching these children effectively requires special training in diverse languages and sensitivity to diverse cultures.

As we examine our bilingual program to try to strengthen it, one thing will remain unchanged: The commitment to assure that language and culture are not barriers to American schools and American society.

A third field where we must work to break down barriers is in education for the handicapped.

Here at Whitney Young, seventy members of the senior class are deaf or hearing-impaired. Interpretation is available to them, so that they can get a first-class education. This is an important achievement, and I applaud you for it.

We will work to assist states and localities that have shown leadership like the leadership here at Whitney Young:

We recognize the need to increase the Federal resources available for educating the handicapped.

We must strengthen teacher training efforts, so that our schools are better equipped to instruct students with a wide variety of disabilities.

Finally, access and opportunity mean energetic efforts to wipe out school segregation and to remedy racial discrimination.

Twenty-three years—some six generations of high school students—have passed since the U.S. Supreme Court outlawed school segregation. Yet discrimination—and the lingering effects of past discrimination—still persist.

But we are making progress. One sign of that progress is clear here in Chicago. For more than twelve years, a dispute about teacher segregation dragged on and on. Many hours were spent in negotiations and in court, hours that could have been spent to provide a better education for all students in Chicago.

But just three weeks ago an agreement between the Chicago School Board and the Federal government was reached. This agreement is a landmark:

Because it provides for the most extensive bilingual education program in the country.

Because it will finally give all of you the chance to learn and to work in schools free from teacher segregation.

Because it shows that when local officials, like Superintendent Hannon and members of the Chicago Board of Education, are willing to work in good faith to solve problems, civil rights questions can be solved swiftly and fairly.

We intend to continue Federal financial support to school districts engaged in desegregating their schools. And we hope to be able to target our funds to give special help to areas of greatest need, particularly those which have recently started to solve major problems.

The second major goal of Federal programs is to improve the quality of education.

Like access, excellence must be the foundation of all our efforts in education. A truly democratic society depends for its vitality on an alert, alive and critical citizenry. Quality education—education that gives our people the capacity not only to fulfill themselves but to understand the society around them—is our most important way of making sure that democracy works.

Educational quality has always depended most of all on local initiative—on strong leadership from a principal and school board; on dedicated teachers; and on the enthu-

siasm and commitment of parents and students to the work of the school.

But the Federal government has, and will, seek ways to support these local efforts, to help teachers and school officials design more effective programs.

One major effort we have undertaken is to improve achievement in basic skills. All over the nation, parents, teachers, and students are concerned about falling test scores—and they should be.

There is a desperate need for remedial reading and math courses in our urban and rural secondary schools—but most importantly, in our elementary schools. Too many high school students read, write and perform mathematics at a fourth, fifth and sixth grade level. They cannot even read the textbooks they are given in high school—much less learn from them. Many schools have started to do something about this.

HEW will assist schools like those in Chicago to improve basic skills in a number of ways.

We must study why students fail, so we know how to help them succeed.

We must learn how to use tests to advance learning, so that states and localities will be able to design effective testing programs. State and local testing has an important role, along with many other tools in putting the proper emphasis on development of basic skills.

We must equip all students with basic abilities to read, to write, to compute. These abilities are building blocks for further education and they are necessary for success in the world outside.

A second, and critical, part of our Federal efforts to improve educational quality is in the area of teacher training.

Good education means good teachers. They are our most important educational resource, and the Federal government will attempt to assist in developing this resource to its utmost.

We hope to strengthen teacher training efforts in a number of areas like bilingual education and education for the handicapped.

We also hope to strengthen our commitment to Teacher Centers. These Centers provide a supportive environment for teachers to exchange ideas. They provide a place where teachers can exercise their professional growth. I believe Teacher Centers will come to play a key role in improving instruction—including remedial reading, writing and arithmetic instruction.

We will also seek to enlist institutions of higher learning in providing in-service training for elementary and secondary school teachers. Recently we proposed a major revision in our Teacher Corps program, to emphasize in-service training for teachers in poverty areas.

A third method of improving educational quality that the Federal government should support is familiar to all of you: it is magnet schools like this one. Here at Whitney Young, there are special opportunities in health, in the sciences, and the performing arts.

We will strengthen our efforts to help school districts design magnet schools, integrate them with other schools in the district, determine the most effective way that magnets can raise educational quality, and assess the strengths and observe the limits of this imaginative and promising innovation.

Finally, HEW intends to explore much more systematically the ways in which technology can be harnessed to help increase educational quality. By the time most students leave high school, they have spent more time in front of a TV set than in a classroom. Sesame Street is the outstanding example of the important role that television can play in aiding our schools; but that program barely scratches the surface of the uses

of television—a medium with great potential to educate.

A third major goal of the Federal effort in elementary and secondary education is integrating our schools with society and expanding the concept of education beyond the schools.

The first way that schools can relate to the larger community is by helping high school students develop skills that will help them find jobs.

Youth unemployment nationally is over 15 per cent; the rate for black youth in central cities like Chicago is a staggering 38 per cent. Schools like Whitney Young provide models for the nation for bridging the gap between education and work. Your work-study program with the Chicago Medical Center is helping keep young people in school—and to get jobs when they finish school.

We want to encourage efforts like yours. So we have been working with the Department of Labor to implement the Youth Employment and Demonstration Projects Act. We are just putting the finishing touches on an agreement with the Labor Department that will help provide important connections between our high schools and manpower programs.

HEW will work with the schools to help develop programs so that students who are employed can obtain academic credit for what they learn on the job.

We will work with the Labor Department to develop part-time employment and job training for high school students.

We will help sponsor conferences to provide proper training for teachers and local school officials so they can pass on what we learn about how to create links between school and jobs.

We will work with businesses and universities to seek new ways to involve them in developing curricula for our high schools.

All of these efforts should have several beneficial effects. Financially needy students who are compelled to work, or students who desire to work for several months or a year before graduating from high school, can be given the opportunity to do so without being required to drop out forever. They may now be able to find part-time work permitting them to remain in school or work on a job for which they can get academic credit. School programs will be more closely tied in to job possibilities and students will obtain greater career guidance, giving them a greater incentive to remain in school.

More than one million children drop out each year; many of them go to dead-end jobs, or not jobs at all. I hope that our efforts under the Youth Employment Act will help our schools perform far more efficiently an important social purpose: training the workers of tomorrow.

Our research indicates, furthermore, that the family plays a critical role in educational achievement. What we need to discover is how to capitalize on this potential asset.

One way might be with programs that encourage parents to follow their children's progress in school, to participate more effectively in school affairs, and to help their children learn to read, to write, to think critically, and to express themselves.

We are planning to help local school districts in their efforts to involve parents more in education. We will support the design of educational materials, like workbooks, that parents can use at home to reinforce classroom learning—particularly over the summer months, to counteract summertime falloff in educational achievement.

Schools can also function as social service centers. For example, 20 million American children are not immunized against common childhood diseases like mumps, measles, whooping cough and polio that can be easily prevented. Schools, working in cooperation with health authorities, can solve a national problem.

This is but one example of the many ways in which schools can help deliver needed health and welfare services in an effective and efficient manner.

I have, this morning, described some initiatives that the Federal government has taken—or will take—to enhance elementary and secondary education in America. Many of these initiatives, in more detailed form, will be the basis for the creative interaction between the President and the Congress as new elementary and secondary legislation is considered.

For we in Washington are serious about access and excellence in education. We are serious about helping schools work closely with parents and employers and others in the community.

But the most important role we can play is to assist, advise, and help guide the efforts of states and localities to meet these goals. We need to prevent Federal requirements and Federal paperwork for strangling schools. We need to support, not supplant, local initiative.

In the end, how well we do depends upon institutions like this school—and people like you, students and parents, teachers and administrators. What you do, far more than what we do, will determine the ultimate success or failure of education—in this neighborhood; around Chicago; all across America.

BILINGUAL COURT INTERPRETERS

HON. FREDERICK W. RICHMOND

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. RICHMOND. Mr. Speaker, on December 6, 1977, I had the pleasure of introducing H.R. 10228 the Bilingual, Hearing and Speech Impaired Court Interpreter Act.

This is an enormously important piece of legislation for all people in the United States who, for one reason or another, do not speak or understand the English language.

The bill states that if such a person as described above is involved in a Federal court trial, in either a civil or criminal case that the court will appoint a qualified, professional interpreter for that person. The expenses for the interpreter will be met by the court. An estimate of these expenses by the Administrative Office of the Courts is only \$2 million annually which is a negligible amount for providing equal justice under our laws.

It is incredible to think that criminal and civil cases involving people who do not speak or understand English have occurred on a regular basis in this country without an interpreter or with an interpreter who did not have a complete command of the second language.

The Director of the Administrative Office of the U.S. Courts shall maintain a list of all certified interpreters, establish qualifications for interpreters, certify interpreters and set the fees for services rendered. The Director will work with professional organizations such as the National Registry of Interpreters for the Deaf in determining the regulations for standards of qualified interpreters.

The Federal court system must set an example for State and local courts. When we pass this bill in the House of Representatives and every State has a similar measure only then will we see a realistic judicial system for all our citizens and visitors alike.

The Senate passed this measure on November 8, 1977 and I am hopeful that my colleagues will join with me in assuring that the 95th Congress does not close without this bill being signed into law.

DEBT COLLECTION HARASSMENT RESULTS IN VERMONT'S DEATH

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. ANNUNZIO. Mr. Speaker, on March 20, 1978, the Fair Debt Collection Practices Act will go into effect banning harassment and deception in debt collection. This will not be soon enough for a widow in Vermont. Her husband recently died of a heart attack after over a month of harassment and threats from an out-of-State debt collector attempting to collect a \$114.44 Shell Oil bill. According to the news report of the story, the collector harassed the consumer at home, at work and even in the hospital. The collector threatened the consumer with imprisonment, and to expose him as a deadbeat. Telling the collector of his heart trouble did not stop the abuse.

The widow is now suing the collection agency for \$1.2 million. Whether the widow wins or not, this will not bring back her husband.

This was a senseless, needless tragedy. It is a graphic illustration of why this new law is so necessary. Unethical collectors know no restraints such as decency or fairness. Even though abusive collection tactics do not result in better collections, unethical debt collectors employ these horrible practices. The consequences to the consumer are always bad. In the case of the consumer from Vermont and his family, the consequences were disastrous and will affect the family the rest of their lives.

For those who attacked this new law as unneeded and attacked the hearings testimony on harassment as unfounded, this story points out the truth: Debt collection harassment occurs all too frequently and with irreversibly sad results.

This new law hopefully will prevent any other consumers from being hounded to death.

The following is the text of the November 19, 1977, Chicago Tribune article:

DEBT AGENCY DROVE MATE TO DEATH: WIDOW

St. ALBANS, VT.—A widow is suing a collection agency for \$1.2 million, claiming it caused her husband's death by its tactics in trying to collect a \$114.44 debt.

In the suit that came to trial Monday in Franklin Superior Court, Pauline Ewell contends Eastern Payco, Inc., of New Jersey harassed and threatened her husband, Laurence, to the point that he suffered a fatal heart attack.

Ewell owed Shell Oil Co. \$114.44, according to the suit. Shell hired the company to collect the overdue account.

For more than a month, Ewell received telephone calls at work and at home demanding immediate payment, the suit says.

Alan Sylvester, Mrs. Ewell's lawyer, told prospective jurors the agency threatened to "expose Larry as a deadbeat in St. Albans and tie up his wages." Ewell was a teacher at Bellows Free Academy in nearby Fairfax.

The suit alleges that Ewell was threatened with imprisonment and attachments on his property.

"He told them about his heart trouble," Sylvester said. But he said the collection agency "showed no understanding, sympathy, or compassion at all. The telephone calls continued, and the heart problem developed and the chest pain became worse."

Sylvester said Ewell was hospitalized, and "the threats continued even in the hospital, and Mrs. Ewell alleges her husband died because of it."

JUDGE CORNELIA KENNEDY

HON. LUCIEN N. NEDZI

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. NEDZI. Mr. Speaker, one of the top Federal judges in the Nation is Cornelia G. Kennedy, who recently became Chief Federal Judge, Eastern District of Michigan.

I have known Judge Kennedy a long time and I am proud to number her among my constituents.

While I was a freshman in high school, moreover, I had the good fortune to meet her father, the late Elmer H. Groefsema, a prominent negligence attorney. He was one of the people who inspired me to pursue a career in law. He inspired others, too, not the least of which were two of his daughters who became lawyers and judges.

The Sunday, December 11 Detroit News carried a fine profile of Judge Kennedy, and I believe her story is worthy of our attention.

Under leave to extend my remarks in the RECORD, the article follows:

SHE'S CHIEF JUDGE AND AN ANGEL TO TWO CHARLEYS

(By Yvonne Petrie)

If Farrah Fawcett-Majors had come to Detroit for her poster-bootlegging case last January, teen-ager Charley Kennedy hoped to bring his class downtown to Federal Court for an "educational" field trip.

Charley has an In. His mother is Chief Federal Judge Cornelia G. Kennedy, who granted the injunction against a company selling unauthorized heat transfers based on the star's copyrighted posters.

"But Farrah never appeared," said Judge Kennedy the other day, as she reminisced about some of her more colorful cases.

Judge Kennedy has had a far more illustrious career than the former star of the TV series "Charlie's Angels." In fact, she's an angel to two Charleys herself—her husband, advertising executive Charles Stuart Kennedy, and their son, Charley, 15, a freshman at University Liggett School.

Judge Kennedy holds the distinction of being the only woman in the nation ever to be named chief judge of a Federal District Court. Her duties include overseeing the 12 judges in the district and court operations and supervising the federal clerk's office, in addition to conducting trials.

She was sworn in Nov. 22, replacing Judge Damon J. Keith, who stepped up to judge of the 6th U.S. Circuit Court of Appeals in Cincinnati.

When she was appointed federal judge in 1970 by former President Nixon, she became the only woman from Michigan—and the fourth in the nation—ever to serve as a federal judge. (There have been 2,000 men and only nine women who have served on

the federal bench since federal judgeships were established 188 years ago. Eight of the women are still living.)

Sitting in her book-lined chambers in the Federal Building downtown, Judge Kennedy, 54, looks fragile and thin.

Actually, she is indomitable.

Item: Last month she had a benign breast tumor removed during a break in a gambling conspiracy trial. "I went into the hospital on Wednesday and came back to the trial on Monday," she said.

Item: This fall she planted 300 flower bulbs herself in the garden of her Grosse Pointe Woods home.

Item: For exercise, she bicycles around the Pointes with her husband and son (she has completely recovered from the compound fracture of one leg she suffered in a golf cart accident in 1974).

Item: Early this year she trudged through the snow one Saturday to inspect the Lake St. Clair wetlands near Selfridge Air National Guard Base because of a case in her court. "I followed the new Environmental Protection Agency regulations and issued an injunction and the wetlands were preserved," she said.

Despite her frail appearance, Judge Kennedy maintains regal order in her courtroom. She laughs when she tells the story of a bank robber on bond "with two bullets in him" who went for medical attention on the lunch-hour break during his trial in her court. When he ran back late into the courtroom, he burst out, "I'm sorry I'm late, your majesty!"

But she defends the decorum she demands. "The courtroom is a place where people's rights are determined and the person is entitled to feel that is what the court is focusing on," she says. "You can't have a lot of extraneous things going on. People who have matters before the court are better satisfied to come into a place where there is a certain amount of decorum."

Judge Kennedy believes in punctuality but doesn't always get it from participants in her cases. "My father was a good lawyer. He was always on time to court. I practiced law for 19 years and I was always on time. Everyone else wasn't always on time."

"My father indoctrinated all three of his daughters to believe that if you're really determined to do something, you can do it. There isn't any limitation."

She comes from a family of achievers. Her mother was a law school student when she died in 1932. Both Cornelia and her sister Margaret graduated with honors from the University of Michigan Law School and practiced with their father, the late Elmer H. Groefsema, a prominent trial attorney.

Margaret (Mrs. Marvin G. Schaeffer) is a judge in Michigan's 47th District Court.

Their younger sister, Dr. Christine Gram, is head of the political science and economics department at the Orchard Ridge campus of Oakland Community College and is president of the faculty association of all four campuses.

Judge Kennedy earns \$54,500 as a federal judge (there is no increment for being chief judge)—and loves almost every minute of her work.

"I really enjoy the challenge and variety of being a judge," she says. "I enjoy trying cases and deciding legal issues. I get a lot of satisfaction out of it."

But long days in court listening to the constant din of voices—wrangling, explaining, denying, objecting, demanding—take their toll. "When I go home, I don't really watch much TV. People are talking all day in court. It's not terribly relaxing to go home and listen to more talk on TV."

Judge Kennedy has a staff of six—two secretaries, two law clerks, a deputy clerk and a court reporter—but she regularly has to take home a briefcase stuffed with advance sheets and law publications.

"Charley and I settle down and do our homework every night," she says. "It's the only way I can keep up on the new decisions and memos from the staff."

What are the attributes of a good judge? "You have to have patience, stamina and a good legal education. You have to be firm and at the same time have a certain amount of compassion."

"People have asked me how I, as a woman, could sentence anyone to jail. Taking someone's liberty away from him is a difficult job, but it's something you do. It should be difficult. When it is not difficult any more, then you should not be doing it."

The Federal District Court handles "a lot of narcotics cases and a lot of bank robberies," she says. "The biggest problem is the number of criminal cases. We have the second highest number in the country, behind Los Angeles but ahead of New York, Chicago, Philadelphia and Houston. Our caseload per judge is higher than Los Angeles because they have more judges."

The court in Detroit has 10 authorized positions with one vacancy at present due to Judge Keith's departure. In addition, three senior judges (over 70 years of age) do substantial work. If Congress approves a pending bill, Detroit will get three more federal judges.

Meanwhile, Judge Kennedy says, "We don't have enough judicial manpower to give time to hear civil cases. Criminal cases legally take precedence under the Speedy Trial Act and 80 percent of our judges' trial time is in criminal cases. It has gotten worse in the past year."

The wide range of civil and criminal cases she has heard include aid to families of dependent children and Housing and Urban Development (HUD) scandals, admiralty and railroad cases (ship or train accidents), civil rights violations, tax evasion (a growing problem) and stolen postal checks.

In the only case she knows of in which HUD was sued by a neighbor, Judge Kennedy found for the neighbor and fined HUD the maximum claim allowed—\$3,000. "The neighbor sued HUD because HUD owned the house next door and kept it in such poor repair that water poured from it into the neighbor's lot and basement, instead of going into the gutters."

Both the wetlands and the HUD cases are being appealed, which may have something to do with Judge Kennedy's ambition "to sit on an appellate court some day if the opportunity should arise."

She has twice been under consideration for nomination to the U.S. Supreme Court, but both times men were chosen.

Judge Kennedy is accustomed, if not addicted, to being the "first," the "only" or the "top" at lots of things.

She often wears a gold medallion that she received as one of the "Ten Top Working Women of 1971," part of Salute to Women Who Work Week which was sponsored for years by the Central Business District Association.

She was the only woman ever named a member of the Judicial Conference of the United States; the only woman ever elected chairman of the National Conference of Federal Trial Judges; the first woman ever elected a director of the Detroit Bar Association; and the only woman ever elected chairman of the negligence law section of the State Bar of Michigan.

In 1966 she was top vote-getter in the race for three new Wayne Circuit Court judgeships and served four years before being named a federal judge.

She's been running ever since her days at Redford High School, where she was editor of the school newspaper and the yearbook president of the National Honor Society and voted outstanding senior girl. At the U. of M. she was on the board of editors of the Michi-

gan Law Review and was graduated with distinction.

"Not having time is the main problem in my life," says Judge Kennedy. "There are so many things I can't do that I'd like to do. I really try not to waste much time."

She has devoted much of her life to her legal career, campaigning for office, giving speeches, attending receptions and meetings. Has it all been worth it?

"I think so. I enjoy the work and I'm happy for the position. We have had some fine chief judges on this court and I intend to carry on the tradition. Other women have an opportunity to see that women can achieve this goal."

"The time I gave up might have been frittered away anyway. Small things I might have given up possibly wouldn't have resulted in any particular happiness."

"Except for my mother dying when I was 9 years old, I have had a wonderful life. I have a wonderful husband, a wonderful son and a wonderful job."

PANAMA'S BIKOS

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. McDONALD. Mr. Speaker, amidst all the "selective indignation" voiced over the death of Stephen Biko in South Africa, it is interesting to note, by way of contrast, the deafening silence over the deaths of opponents of Omar Torrijos in Panama. To the best of my knowledge, these events received little or no press coverage in the West, let alone a police inquest as they did in South Africa. However, the Richmond Times-Dispatch, by way of an exception to the general run of the press, has published a very fine editorial on this subject matter, in its December 9, 1977, issue, which I feel merits the serious attention of my colleagues. The editorial follows:

[From the Richmond Times-Dispatch, Dec. 9, 1977]

PANAMA'S BIKOS

Outraged by the death of South African dissident Stephen Biko, American critics of South Africa are intensifying their demands for economic sanctions against that country to force it to abandon its policy of racial separatism. A country that represses and brutalizes its citizens, these people say, does not deserve to benefit from American trade and American investments.

If this is so, then South Africa's critics should be delighted to accept an amendment to their proposal. Let us promptly impose economic sanctions on all countries that fail to comply with American standards of justice.

Perhaps, we should start with Panama, since we are currently involved in negotiations that could result in a substantial increase in the flow of economic benefits from the United States to that country. Its ruler, dictator Omar Torrijos, is widely regarded as one of the most brutal tyrants in power today; and if it is unconscionable for the United States to maintain economic ties with South Africa, it clearly would be unconscionable for the United States to ratify agreements that would give Panama a canal that represents a fixed investment of about \$7 billion, increase the United States' annual canal "rental" payments to Panama and boost American economic aid to Panama.

A recently completed study sponsored by the Council for Inter-American Security, a private organization interested in the affairs of the Americas, concluded that there have been several "Stephen Bikos" in Panama since General Torrijos came to power. Here are some of his alleged victims:

Father Hector Gallego, a Roman Catholic priest who organized some agricultural co-operatives that proved to be damaging to the commercial interests of the dictator's relatives. Nothing has been heard of the priest since he was arrested by Panama's secret police on June 9, 1971, but it is rumored and generally assumed that he was tortured and murdered.

Jorge E. Falconet and Marlene Mendizabal, two University of Panama students who opposed the activities of pro-Torrijos, communist-oriented organizations at that institution. Both of them disappeared in 1976. Mr. Falconet is still missing, but Miss Mendizabal has been found—dead. Again, it is generally assumed that government agents were responsible.

Ruben Miro, an attorney, who allegedly was tortured and murdered after his arrest by national police.

Eduardo White reportedly died of injuries that police inflicted upon him with a rubber hose.

This is only an abbreviated list of General Torrijos' alleged victims. Many more have died under circumstances that suggested police complicity, and scores of others have been raped, tortured and exiled because of their conflicts with the Torrijos regime.

The study that gave these and other examples of General Torrijos' brutality was made by Dr. Gustavo Angulzola, grandson of a former Panamanian secretary of the treasury and now a professor of history and political science at the University of Texas. The Inter-American Commission on Human Rights of the Organization of American States was so impressed by the study that it has agreed to investigate these and other alleged human rights violations in Panama.

Aware of the fact that his sordid reputation is partly responsible for the Senate's reluctance to ratify the proposed new canal agreements, General Torrijos is going through the motions of reforming. Over the weekend, he plausibly announced that he was canceling decrees that had limited freedom of assembly and had permitted the detention of prisoners without trial. Thus, he supposedly fulfilled a promise he had made to a group of visiting United States senators last month.

Fine. But what about the rubber hoses? The bone-crushing machines that mangle the hands of defiant prisoners? The ice-water baths? The batteries used to administer electric shocks? What about the murderers and rapists? There is no valid reason to believe that the general will banish these threats to human freedom, dignity and life.

So if the United States is to pursue a policy of inflicting economic punishment upon those countries whose internal policies offend American morality, the proposed new treaties should be tossed into the nearest wastebasket. The regime of General Torrijos is far less deserving of American economic support, it seems to us, than the regime of John Vorster.

PERSONAL EXPLANATION

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. SARASIN. Mr. Speaker, on November 30, 1977, I was absent from the

legislative session of the House of Representatives. Had I been present, I would have voted in the following fashion:

Rollcall No. 753: H.R. 9375—Supplemental appropriations. The House refused to order the previous question on the original motion after it had been ordered earlier by a division vote of 41 ayes to 11 noes, "no";

Rollcall No. 754: H.R. 9375—Supplemental appropriations. The House amended the motion from \$11.5 million to \$18 million that increases the Amtrak appropriations, "yes"; and

Rollcall No. 755: H.R. 9375—Supplemental appropriations. The House agreed to a motion, as amended, to recommit to the committee of conference the conference report on the bill making supplemental appropriations for the fiscal year ending September 30, 1978; with instruction to the managers on the part of the House that the House recede from its disagreement to Senate amendment No. 46, and concur therein with an amendment that increases the Amtrak appropriation from \$8 million to \$18 million, "yes."

Rollcall No. 756: H.R. 9346—Social security financing. The House agreed to order the previous question on the motion to instruct conferees, "yes," and

Rollcall No. 757: H.R. 9346—Social security financing. The House rejected a motion to instruct the Managers on the part of the House to insist on language providing for the liberalization and eventual repeal of the earnings test for individuals age 65 and over under the old-age, survivors', and disability program, "yea."

BITTONI FOODS CORP. CELEBRATES 150TH ANNIVERSARY

HON. ANDREW MAGUIRE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. MAGUIRE. Mr. Speaker, I would like to call attention to a company in my congressional district which is a good neighbor, a fine employer and credit to everyone connected with it. I refer to the Buitoni Foods Corp., of South Hackensack, N.J., which is celebrating its 150th anniversary. From its beginning, a century and a half ago in Italy, Buitoni has been a leader in the production of quality Italian food. It was, in fact, the first company to produce spaghetti commercially in Italy.

Buitoni, though of Italian origin, has strong roots in the United States. Its management is American, its employees American. Its policies American, its outlook and its way of doing business are all American. Its food products though, I am delighted to report, are all authentically Italian.

Buitoni has been located in my district since 1952 and currently employs more than 400 people. These employees are carrying on Buitoni's 150-year tradition of making fine quality Italian food products. Food products such as pasta, sauces, pizza, frozen Italian specialties

that are all in demand by Americans of various ethnic backgrounds throughout the United States.

I am happy to congratulate Buitoni and all of its employees on this happy occasion.

URBAN GOODS MOVEMENT

HON. WYCHE FOWLER, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. FOWLER. Mr. Speaker, at this time I would like to insert in the CONGRESSIONAL RECORD the text of a statement by Mr. Nat Welch of the Georgia Freight Bureau to the Engineering Foundation Conference on "Goods Transportation in Urban Areas."

With our present concerns for making the most efficient use of energy and for reducing urban congestion, the topic of goods movement in urban areas should be of interest to everyone.

The statement follows:

THE SHIPPERS POINT OF VIEW ON URBAN GOODS MOVEMENT

(By Nat Welch, Executive Vice President, Georgia Freight Bureau)

Since I am the first speaker on the program from the State of Georgia, I want to take this opportunity to extend a very warm Georgia welcome to you.

For almost 250 years, this very island where we are meeting has played an important role in the history of the United States. Georgia was founded in 1732 by James Oglethorpe. He had two main bases of operation . . . Savannah and Sea Island. Savannah was the first planned city in America and today is still considered as one of the best planned cities in our nation. Savannah is prospering as never before and thank goodness the Oglethorpe city plan is still intact. Sea Island was the southern anchor against the Spaniards of the Georgia colony. One of the most important battles in American history took place less than three miles from this spot . . . the Battle of Bloody Marsh, where Oglethorpe decisively defeated the Spaniards. An Oglethorpe lieutenant was John Wesley. His missionary activities on this island and in Georgia were not very successful but as you know he went back to England and founded the Methodist Church which is now worldwide in scope. And to bring you up to date on the history of Sea Island, it was less than three miles from this spot at the Musgrove Plantation where President-elect Carter in 1976 summoned the first Cabinet meeting of the present government of the United States.

I could keep talking about the history of Sea Island, one of my favorite subjects, but our agenda is "Goods Transportation in Urban Areas."

Last year, A. T. Kearney, Inc. completed "A Primer on Urban Goods Movement" for the Department of Transportation. Kearney reported that the nation spends \$244 billion a year for domestic transportation. Of this, the nation expends 23%, or \$56 billion a year, for urban goods movement. On the basis of this staggering sum alone we should be concerned about the problem. As shippers, our primary concern is operating a manufacturing, or distribution business at a profit . . . not an easy thing to do. Traffic, transportation and urban goods movement have a low secondary priority in the operation of our day-to-day business. Only when there is a crisis does urban goods movement become of real concern to top management.

I would like to say that my experience in urban goods movement is primarily limited to Atlanta and Georgia. Our organization, the Georgia Freight Bureau, is a 75 year old trade association of 358 Georgia and southeastern shippers and receivers of freight.

In preparing these remarks, I called Collier Gladden, Planning Director for the City of Atlanta, and Joel Stone, Director of Transportation Planning for the Atlanta Regional Commission to ask the question, "What is going on in urban goods movement planning in Atlanta?" Both of these able professionals responded, "Very little". Our lack of emphasis in Atlanta can partially be explained by the fact that the Metropolitan Atlanta Rapid Transit Authority is now well into the construction of the second biggest construction project in the history of the South. I am glad to report this enormous project is on schedule and under cost estimates.

We are glad the Engineering Foundation has chosen to bring this important conference on urban goods movement to Georgia. This will help focus some attention on a very important subject.

I am not clairvoyant about future answers to the problem, but I can point with confidence to two clear answers in Georgia over the past twenty years to urban goods movement. We had a venerable politician named Jim Gillis who ruled for 25 years as the State Highway Commissioner. He had the foresight to place first priority on the construction of interstate highways in urban areas and low priority on sparsely settled areas. Under his formula, the interstate highway in his rural home county is just now being completed.

In recognition of his leadership in establishing these priorities for interstate construction, this spring the Georgia Freight Bureau named Mr. Gillis as one of the first twelve members of the Georgia Transportation Hall of Fame. Incidentally, Mr. Gillis' successor as State Highway Commissioner was a man named Bert Lance. He too was an able Commissioner. The other landmark decision made twenty years ago by planners was the decision to construct a 65 mile perimeter highway around Atlanta. Not only has this been a great economic boom, but has solved many problems in urban goods movement. The same can be said about a much smaller city, Dothan, Alabama, whose perimeter highway built in the early 1960's has been a profound and favorable economic growth stimulant on that Alabama city.

First, I want to make some observations on what planners and engineers can do to improve urban goods movement. I am sure that this will be old hat to you professionals. The construction and implementation of a well designed rapid rail-bus system in a metro area, like MARTA in Atlanta, will obviously take people out of cars and into buses and trains which will free arterial roads for better urban movement. One of the most serious problems in a metro area is the blockage of a whole traffic lane by a truck loading or unloading. We must do a better planning job with off-street loading zones to deal with this nagging problem. Engineers and planners have made fine progress in recent years with better bridge design providing for ample clearance room and sufficient strength for weights encountered. Street corners and intersections with greater radii would certainly improve the truckers problem with turning movements in downtown and congested areas. We have had an acute overload of our interstate system in Atlanta since the first construction took place. A stalled vehicle in a traffic lane plays havoc during the rush hour. The Georgia Department of Transportation has made noteworthy progress in the past few years in building adequate aprons on most of our interstate highways through metro areas. This has yielded a high cost benefit-ratio in my opinion.

As good planners, you know of course the importance of concentrating truck terminals in one area. The ideal situation would be to concentrate all truck terminals and rail yards in one area near an interstate intersection. But this is hardly possible since most rail yards were built many years ago. Our planners and real estate developers showed some real vision some 10 to 15 years ago in Atlanta with the development of the South River Motor Carrier Area. Now we have more than half the terminals of 65 motor common carriers located in this one area, which is near the perimeter and relatively isolated. In the key distribution center of the Southeast, the concentration of motor carrier terminals in this one area substantially improves the cost and fuel efficiency of interlining freight and also reduces noise and pollution.

We are also fortunate in having the two main rail switching yards of the Southern and Family Lines railroads abutting one another. Consequently most of the freight forwarding, piggyback and trailer mating activity is in this area. We have the advantage of isolation of these rail yards for noise and security purposes which makes them more compatible adjacent land uses but unfortunately we are running out of space for expansion. Prime Osborn, President of the Family Lines, the largest rail system in the South, says that our great area for improving rail efficiency is thru building modern electronic switching yards. Because we are running out of real estate in our metro areas, railroads are constructing their new yards away from big cities in small towns. The Family Lines' most modern yard is now going on line at Waycross, Ga. The Southern Railroad completed a new yard at Sheffield, Ala. in 1973 and has under construction at Linwood, N.C. a \$40 million yard which will help their Potomac Yard across the river from Washington, D.C. This trend is also being followed by some motor carriers in establishing large break-bulk terminals in small towns. Overnite Transportation Co. recently went operational at a large facility near Gaffney, S.C. These facilities help relieve the traffic pressure on large cities.

And now I would like to turn to what shippers and carriers can do to improve urban goods movement. Maybe all of us should visit the garment district in New York City to see the most congested form of urban goods movement. Not only is this area inefficient time and equipment-wise, but shippers have to pay a delivery surcharge in Manhattan. For example, the surcharge is 1.48 per hundred weight subject to a minimum charge shipment of \$10.97. You can see the problem heading toward this intensity in Atlanta from 4:00 to 6:00 PM on the expressways. Let us look at the typical pick-up and delivery routine of a motor carrier in a big city. The P&D driver leaves his terminal around 8:30 AM and spends the morning delivering merchandise. Most shippers are processing their goods during the day and push hard for carrier pick-up between 3:00 and 5:00 PM. So you can see what a frantic period this is for carrier and shipper alike. This is further aggravated by acute traffic congestion at this time. One veteran Atlantic traffic manager, Walter West of Montag Division of Mead Corp. told me his plant frequently runs on two shifts including the shipping department during their rush season. The night shift prepares orders for shipment the following day. Some carriers do not have equipment to spare for morning pick-up. West stays with carriers who can do the job for him and can meet such request as morning pick-ups. Carriers can improve their efficiency by the use of a grid system rather than a spoke system. In a spoke system, after delivering in the morning, the driver is at the farthest point of his route at mid-day and forced to both pick up and deliver.

an inconvenience to the shipper. Thru the use of the grid system, the driver can deliver in his grid in the morning and go back for a pick-up to the same list of shippers in the afternoon . . . a much superior system to the spoke system.

A. T. Kearney reports that his organization has conducted over 350 studies for private firms in the last 20 years applying route engineering techniques to improve management of urban goods movement operation. The result has typically provided a 15% to 40% reduction in goods movement cost. If this experience is typical and could be applied to all urban goods movement, it would result in a nationwide cost reduction of from \$7 billion to \$20 billion per year.

Our expressways in major urban areas are horribly congested during the morning and afternoon rush hours. We have simply got to do a better job of utilizing this multi-billion dollar investment. Looking out a decade ahead, our carriers and major shippers must give serious thoughts to operating at night in urban areas. Think of the dramatic improvements that could be made in urban goods movement with night pick-up and delivery. Do not the advantages clearly outweigh the disadvantages?

As shippers, we need to increase the delivery lot size. By so doing the cost savings in intra-city goods movement is obvious.

Perimeter and radial interstate highways in suburbs are attracting manufacturing and distribution businesses and motor carrier terminals from the central city. The erosion of jobs has a very unfavorable impact on our central cities where more jobs are needed. Central city governments, planners and the DOT need to do a better job in improving arterial central city streets to improve goods movement and lower costs for existing firms.

Mayor Maynard Jackson and his administration are pushing for economic development in South Atlanta, part of which is the South River District where most of our motor carrier terminals are located. We need to maximize our advantages. Where better to distribute to the Southeast than at the very hub where so many motor carriers are concentrated? Would it not be an advantage for a warehouse to be physically located among these terminals rather than 25 or 50 miles away? Often it is a disadvantage. If a carrier uses a spoke pick-up and delivery system, his truck is at times so loaded on the return he cannot pick up from the last warehouse even though it is the nearest.

One incentive for the location of plants in the proximity of these terminals would be a decent discount to the shipper for the delivery of goods to the carrier's dock. But the Southern Motor Carrier Rate Conference tariffs offer only a token discount for this. The Central and Southern Rate Bureau does offer a very attractive rate for freight brought to the carrier for shipment from Chicago and St. Louis to Georgia and Alabama points. For example the minimum charge is \$16.52 instead of \$20.22 for the standard service. We can improve urban goods movement by locating more plants near motor carrier terminals but the carrier needs to offer the shipper a rate incentive.

And now let us turn to some important regulatory reforms made by the Interstate Commerce Commission and Congress this year which the Georgia Freight Bureau believes will improve the efficiency of urban goods movement. In a landmark decision which went into effect on April 9, 1977, the ICC expanded commercial zones in all American cities. In Atlanta we have fought long and hard for this zone expansion. The ICC decision expanded our zone from 5 to 10 miles beyond the city limits. The effect of the decision is to exempt all common carriage within the zone from ICC regulation. Only 25 old-line carriers had 15 mile authority in

Atlanta whereas the balance had only 5 mile authority. This meant when goods came into the city on one of these 40 carriers, the goods had to be interlined . . . turned over to another carrier for delivery outside the zone. This was time consuming, expensive, wasteful of fuel, manpower and equipment, and increased the likelihood of damage and theft. The short haul carriers nationally appealed this decision which was heard last month in the Circuit Court in San Francisco. We can report in Atlanta that shippers, local governments, chambers of commerce, planning officials, local cartage agents and many carriers are elated over the decision. It is a case of the public good prevailing over a small minority interest.

On its own initiative this summer under the progressive leadership of a new chairman, Daniel O'Neal, the ICC has asked for public comment on a proposed expansion of air terminal areas from 25 to 100 miles. This would enlarge the area exempt from the ICC regulation of surface moves connected with subsequent air moves. In our judgment, this action will improve the transportation efficiency of air freight.

Three weeks ago, President Carter signed a bill which deregulates the air cargo industry. Business Week states, "Under the new law, existing cargo carriers—including passenger lines with all-cargo service—will be issued a certificate by the CAB that gives them permission to fly anywhere, anytime. New applicants for all-cargo service will be able to bid for CAB approval a year from now." The two main beneficiaries will be Flying Tiger Line, the world's biggest all-cargo airline, which is now restricted to serve on 10 U.S. cities, and Federal Express Corp. which must now use aircraft with maximum payloads of 7,500 lbs. Federal Express' efficiency will improve considerably with the use of Boeing 727's compared to their present equipment, the small Falcon. I predict a substantial increase in air cargo volume but this should provide only a very small increase in the total volume of urban freight movement.

In conclusion, we would like to thank you again for bringing this important conference to Georgia. This conference has certainly sharpened the interest of the Georgia Freight Bureau in urban goods movement. As a consequence we are going to give serious thought to sponsoring this coming year a seminar on urban goods movement to create a healthy interchange between shippers, carriers, government officials, and planners and hopefully to focus attention to this important national problem.

TERRORIST BOMB INVESTIGATION BREAKTHROUGH

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. DORNAN. Mr. Speaker, today I have written Eberhardt Rechtin, president of the Aerospace Corp. in Los Angeles, to congratulate him on a major breakthrough in the battle against criminal bombings. Aerospace has developed and successfully tested traceable explosive taggants which will aid agents of the Treasury Department's Bureau of Alcohol, Tobacco and Firearms, as well as police and arson investigators in locating the original source of explosives used in a crime.

This "landmark," as it was termed by ATF Deputy Director John Krogman, enables investigators to recover tiny, color-coded chemical particles from the

site of a bombing. The particles, or "fingerprints," are added to explosives during manufacture, and serve as keys to manufacturer, retailer, and final purchaser. Such developments are continuing evidence, Mr. Speaker, that the expertise and imagination of our science and law enforcement communities are working effectively to help "insure domestic tranquility." I am proud again of the extraordinary Aerospace Corp.

HUMAN RIGHTS AND PSYCHIATRY IN THE SOVIET UNION

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. WEISS. Mr. Speaker, the role of psychiatry in the practice of medicine and in society has become a growing and important one. As in any science or professional practice the question of what kind of ethical guidelines should rule that profession or science is especially crucial to its integrity.

On August 31 of this year the World Psychiatric Association (WPA) approved two resolutions concerning the abuse of psychiatry in the Soviet Union. Printed below are these two resolutions—the first condemning Soviet psychiatrists for systematically abusing psychiatry for political purposes and the second establishing a monitoring group to review the abuse of psychiatry worldwide.

[From the Sixth World Congress of Psychiatry and General Assembly, World Psychiatric Association]

SOVIET ABUSE OF PSYCHIATRY

The Royal College of Psychiatrists (Great Britain) submitted the following Resolution: "The World Psychiatric Association, taking note of extensive evidence of the systematic abuse of psychiatry for political purposes in the U.S.S.R., joins in the condemnation of these practices, which has already been made by the British Royal College of Psychiatrists as well as other bodies."

Amendment to Resolution of Royal College of Psychiatrists Made by the Royal Australian and New Zealand College of Psychiatrists:

"That the World Psychiatric Association take note of the abuse of psychiatry for political purposes and that it condemn those practices in all countries in which they occur and call upon the professional organizations of psychiatrists in those countries to renounce and expunge those practices from their countries; and that the World Psychiatric Association implement this Resolution in the first instance in reference to the extensive evidence of the systematic abuse of psychiatry for political purposes in the U.S.S.R."

The Amended Resolution carried by a vote of 90-98. The APA delegate, Jack Weinberg, M.D., seconded the Amended Resolution and voted for it.

MOTION TO ESTABLISH A REVIEW MECHANISM

The APA submitted the following motion to the General Assembly:

"The World Psychiatric Association opposes the misuse of psychiatric skills, knowledge, and facilities for the suppression of dissent wherever it occurs, and will establish a Committee to review Abuse of Psychiatry to review all notices or complaints which are officially addressed to the President of WPA

regarding the political abuse of psychiatry, and if sufficient evidence warrants, may, (1) review allegations of violation of the WPA policy regarding abuse psychiatry by seeking additional written information, and/or personal testimony from whatever sources deemed necessary, and/or by site visits; and, (2) recommend such corrective actions which seem appropriate to the Executive Committee of the WPA.

"The members of the Committee shall be appropriated by the President and approved by the Executive Committee. The Committee to Review Abuse of Psychiatry is further charged to ensure that all of its deliberations are carried out in a manner which affords fair and equitable representation from the WPA member societies in the country where the alleged violation(s) occurred.

"The WPA shall establish a special fund which will receive donations from individuals and organizations for the express purpose of financing the activities of the Committee to Review Abuse of Psychiatry. All expenditures of monies from this fund must be approved in advance by the WPA Executive Committee and follow the general WPA policies for expenditures of funds."

This motion was carried by a vote of 121-66.

I also wish to draw attention to two news articles that appeared recently in relation to the action of the WPA and a third article concerning the relationship of psychiatry and politics abroad. These articles underline the extremely sensitive relationship between psychiatry and politics—a relationship that has been easily trespassed in the past and which must be vigilantly guarded in the future. I commend these articles to my colleagues and the general public:

[From the Washington Post, November 15, 1977]

CURBING PSYCHIATRY'S POLITICAL MISUSE (By Peter Reddaway and Sidney Bloch)

At its recent congress in Honolulu, the World Psychiatric Association (WPA) began, after six years of delay, to face up to its ethical responsibilities. It condemned, by a narrow margin, the political misuse of psychiatry in the Soviet Union and passed, by a 121-66 vote, an American resolution to establish a committee to monitor these and other unethical practices wherever they might occur.

Will this committee fulfill its purpose? As the WPA is a nongovernmental, professional organization, the monitoring committee should in principle be able to act freely. It should not suffer from the diplomatic restraints that have prevented the World Health Organization (WHO), a U.N. body, from even noting the Soviet abuses, let alone investigating them as it should have done.

At its formation the committee can expect to receive documentation on past and present abuses in the Soviet Union, Romania, East Germany, Argentina, South Africa, the United Kingdom (interrogation methods in Ulster) and the United States (the CIA experiments on the use of LSD to alter people's thinking). Already it has been offered a site visit—to the South African mental institutions that have recently been investigated by the WHO for alleged abuses against black patients. The South Africans have rejected the charges made in a preliminary WHO report, and have pointed out that their invitation to the WHO director general to inspect the institutions has not been taken up. Now they have issued a similar invitation to the WPA. This precedent will make it easier for the monitoring committee to press for site visits to other countries, notably Russia, whose prison psychiatric hospitals have remained entirely barred to foreign psychiatrists.

All indications at the world congress and since suggest that among the "suspect countries," Russia is the most defensive. Although the Soviet delegates approved a declaration on psychiatrists' ethical principles adopted in Honolulu, they opposed the formation of a monitoring committee because it would "infringe the national sovereignty of states" and "interfere in their internal affairs."

In addition, Soviet spokesmen have issued wholesale denials saying that in any case no abuses have occurred in Russia. They have denounced the extensive evidence to the contrary, not by rebutting the points made but by trying to smear the authors. They have also made vague (and false) claims that literature on Soviet abuses available in Honolulu was financed by the CIA. Another tactic has been to assert that ex-victims of psychiatric repression like Vladimir Bukovsky and Leonid Plyushch really are schizophrenic. Such statements have been little publicized in the West, even in Communist media. The latter have not forgotten that in 1976 the British Communist paper *The Morning Star* printed similar libels and promptly had to publish retractions and pay out compensation.

Soviet media have also portrayed Bukovsky as a common criminal rather than a political dissenter, overlooking the fact that the Kremlin exchanged him last December for Chile's top political prisoner, Luis Corvalan. In addition, Moscow Radio and the Soviet press have repeatedly publicized complimentary statements made—or allegedly made—by Westerners about Soviet psychiatry in recent years. The latest such praise was initially reported in the Austrian Communist paper *Die Volkstimme* on Aug. 30, but subsequently denied by the Austrian psychiatrists concerned. Undeterred, the Soviet media have repeated the falsified statements.

But the Soviet record of consistently "covering up" psychiatric abuses through misrepresentation and blanket denials now shows signs of backfiring and playing into the hands of the WPA monitoring committee. It was noted in Honolulu that the leading Soviet psychiatrists had no answer to the documentation of their systematic mendacity over the years and of their persistent manipulation of the WPA—they carefully avoided the subject. As a result, in the eyes of many present, their long-questioned credibility finally evaporated.

Thus if world psychiatry—and public opinion generally—maintain their pressure, these psychiatrists and their system of abuse will become even more vulnerable than they are at present. The politicians will, in that case, probably shunt these men quietly into sinecure professorships or early retirement. In addition, Dr. A. V. Snezhnevsky's theories, which equate dissent with schizophrenia, will lose their officially protected, near-monopoly position; dissenters inappropriately interned in mental hospitals will gradually be released; and reformist campaigners like the newly sentenced Moscow metal-worker Felix Serebrov and the much-hounded medical assistant Alexander Podrabinek will become less subject to the KGB's attentions.

Is it too much to hope that by the time of the next world congress in 1982, humane psychiatry may have revived in Russia and other countries where abuses now take place, and psychiatrists everywhere will be more alert to their ethical responsibilities?

[From the Wall Street Journal, Sept. 22, 1977]

PSYCHIATRIC TERROR

The World Psychiatric Association at its recent world congress in Honolulu finally censured the Soviet Union for using psychiatry to repress political dissenters. But the resolution passed by only 90 to 88 votes, thanks only to a weighted system of counting; a majority of the national delegations

actually opposed the resolution. The closeness of the vote shows that this apparently clear-cut issue touches a raw nerve not only in the Soviet Union, but in the practice of psychiatry itself.

Soviet abuse of psychiatry has now been documented beyond a reasonable doubt. The West has heard credible first-person accounts from exiled dissenters like Leonid Plyushch and Zhores Medvedev, and the book "Psychiatric Terror" (Basic Books, New York), published by leading organizers of the WPA censure, painstakingly lists 210 Soviet citizens who since 1962 have been interned in psychiatric hospitals because of their political or religious beliefs. At the Honolulu congress, the Soviet delegation, including some of the doctors most responsible for these abuses, didn't really deny the charges; instead, they challenged their critics to prove these dissenters were sane.

This brazen defense underscores the corruption of the Soviet profession. The problem isn't simply that the regime finds it more convenient to commit some dissidents rather than bring them to a potentially embarrassing public trial. The problem is rather that Soviet psychiatry uniquely lends itself to this practice.

The most powerful figure in official Soviet psychiatry, Dr. Andrei V. Snezhnevsky, owes his prominence to his peculiar but politically convenient theories of schizophrenia. As Peter Reddaway and Dr. Sidney Bloch, authors of "Psychiatric Terror," outline it in an article in *New Scientist*, Dr. Snezhnevsky teaches that schizophrenia is irreversible and in some forms gradually developing, and he defines its symptoms very broadly. In one form often diagnosed in dissidents—"sluggish schizophrenia,"—the onset is barely perceptible, showing symptoms like "paranoid delusions of reforming society" or "poor adaptation to the social environment." This school has introduced the novel concept of "seeming normality"; the patient may require confinement even though he appears healthy to his friends and family, in fact to everyone but the specially trained forensic psychiatrist.

Dr. Snezhnevsky's doctrine is of more interest to Sovietologists than to psychiatrists, since it shows the strange affinity of Marxism for all kinds of pseudoscience. His commanding role in Soviet psychiatry is eerily reminiscent of the way the charlatan T. D. Lysenko once tyrannized Soviet biology; his power comes not from the soundness of his ideas, which have been hotly debated within the Soviet Union itself, but from the patronage of the government which finds him so useful.

The uniqueness of the Soviet case needs to be emphasized, yet, without blurring our horror at the perverted science, we can also say that in some respects it is an extreme logical extension of basic flaws in psychiatry itself. It's hard to imagine, for instance, that a dissident could be put away on a trumped-up diagnosis of typhoid, yet the physical evidence and cause-to-effect reasoning of medicine isn't available to the mental clinic. Even without political distortion, definitions of mental disease vary widely from country to country. The U.S. itself follows a much looser concept of schizophrenia (although not Dr. Snezhnevsky's!) than does Western Europe, and one 1972 study found that the comparable groups of patients, this diagnosis was made twice as often in New York as in London.

With this degree of arbitrariness weighing on their conscience, many Western psychiatrists have been reluctant to condemn the Soviets. Yet, as the WPA finally recognized at Honolulu, the profession can't correct its flaws by ignoring them. Along with the censure motion, the Honolulu congress established a committee to review charges of psychiatric abuse. If this body works as it should, it could have an enormous healthy

influence, not only on the Soviet Union, but in all the instances in which legal limits on a person's freedom are made to depend on psychiatric judgment.

[From the Washington Post, Nov. 29, 1977]
NINETY-TWO MEDICAL PRISONERS ARE LISTED
BY AMNESTY

Amnesty International published a list yesterday of 92 members of the medical profession who are imprisoned for their political beliefs in 25 countries.

The London-based human rights organization, winner of the 1977 Nobel Peace Prize, said many are held without trial and some have been tortured. The list "is by no means comprehensive," it said.

Detentions were not necessarily "a direct result of their medical duties," the Amnesty report said, but it gave this explanation:

"Medical personnel are daily in touch with acute individual suffering, which in many cases leads to work in a broader social context—work that sometimes challenges political decisions about their country's distribution of health facilities or abuses of their profession for political purposes."

As an example of such an abuse, the report cited the case of Soviet psychiatrist Semyon Gluzman, "who refused to compromise his medical ethics and protested against the forced internment of sane political dissidents in Soviet psychiatric hospitals."

Gluzman, 29, was arrested in 1972 after underground documents were allegedly found in his possession. He is now serving in a labor camp and is one of 11 Soviet medical persons listed by Amnesty.

The largest group on the list is of Indonesian medical prisoners, with 13. Their detention, in most cases for 12 years, is because "the government suspects them of being Communists," Amnesty said.

Seven Argentine and six Chilean medical prisoners are included, most of them adopted as "prisoners of conscience" by the organization—which encourages local committees to write the governments involved seeking the prisoners' release.

The American Public Health Association, at a meeting here earlier this month, heard testimony by exiled doctors on another human rights abuse: They testified that hundreds of Chilean and Argentine medical professionals have been forced into exile. Others have chosen to live abroad because of conditions under military governments at home.

Dr. Silva Bermann, former president of the Argentine Federation of Psychiatrists, listed eight psychiatrists who had either been arrested or disappeared, none of whom figures in the Amnesty report.

GIVES BALANCE ON NUCLEAR PROBLEM

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. SIMON. Mr. Speaker, Someone has called my attention to the remarks of Commissioner Victor Gilinsky of the Nuclear Regulatory Commission made on November 3, to the Washington Center of Foreign Policy Research of the School of Advanced International Studies of Johns Hopkins University.

I am one of those caught in the dilemma by our nuclear problems, concerned about energy shortages which we

are going to have but also concerned about the dangers I see in some of our nuclear enterprises.

Commissioner Gilinsky's remarks appear to me to strike a sensible middle ground in the problem we confront.

I am having them inserted into the RECORD at this point, and I hope some of my colleagues will take the time to read what he has to say:

NUCLEAR ENERGY AND NUCLEAR PROLIFERATION (By Victor Gilinsky)

INTRODUCTION

I have been asked to provide a brief comment as a basis for discussion of the relationship between nuclear electric power and nuclear weapons development. This relationship is central to any policy on the use of nuclear energy internationally as well as domestically. As our understanding of it has changed over the years, so has our policy.

The most recent metamorphosis has taken place in consequence of the seriousness with which President Carter has viewed the peaceful-military connection in nuclear energy. In a major statement on nuclear policy last April 7th, and again on October 19th in remarks to the organizing session of the 40-nation International Nuclear Fuel Cycle Evaluation Conference, he outlined a clear change in attitude and direction towards civilian nuclear power and its role in increasing the danger that nuclear weapons will spread to more and more countries. As you probably know, this matter is also addressed in a bill, the Nuclear Nonproliferation Act of 1977, now before the Congress. It seeks to impose stricter rules on U.S. nuclear exports to make sure they do not get used for explosives.

The bill has passed the House by a vote of 411 to zero, but encountered heavy weather in the Senate this session, partly because of intense lobbying by some elements of the nuclear industry. Their position, in practical effect, has been that the relationship between the commercial nuclear fuel cycle and nuclear explosives is so remote that further controls are unnecessary—or, alternatively, if not remote, then so far gone that it is too late to reverse. On each side of the issues underlying a recommended nuclear export policy is a conception of the relationship between nuclear energy and nuclear proliferation. As the President said on October 19th, the subject is inherently controversial and can stand some clarification.

ACCESS TO NUCLEAR EXPLOSIVE MATERIALS

I do not want to dwell here on technical details, but a few remarks may be helpful. The essential nuclear explosive ingredients of nuclear warheads are plutonium or highly enriched uranium. You may recall that plutonium for our own nuclear weapons program has been produced in large special purpose reactors and separated from the spent fuel in reprocessing plants at the Hanford and Savannah River facilities. The highly enriched uranium has come from a complex of plants at Oak Ridge, Tennessee and similar facilities in Kentucky and Ohio, all of which are now used primarily to enrich uranium fuel for power reactors throughout the world.

The generation of electricity by nuclear means raises international security issues because uranium-fuel nuclear power reactors also produce plutonium. Commercial spent fuel reprocessing plants, which separate plutonium, provide easy physical access to large quantities of nuclear explosive material. And the same technology (and in some cases the same plants) used to enrich uranium for fuel can also be used to enrich it further for explosive purposes.

The essential point is this: obtaining the

requisite explosive material is still the most difficult and time-consuming item in the initial production of nuclear weapons.¹

The operation of civilian nuclear power reactors and certain ancillary facilities—plutonium separation and uranium enrichment plants—can therefore remove key technological hurdles in this process and make it easier for a country to manufacture nuclear warheads, and quickly, once it decides to do so.

Such a decision will, of course, depend on the political and military situation in which a country finds itself at the moment of truth. Still, any serious antiproliferation policy, in addition to reducing the incentives to acquire nuclear weapons which grow out of genuine security concerns, must also aim at keeping it from being technically too easy to take up the military option. It is this latter question I want to talk about today.

The degree to which physical access to the essential nuclear explosive ingredients of nuclear warheads—either plutonium or highly enriched uranium—is facilitated by the operation of the commercial nuclear fuel cycle depends on the kinds and sizes of nuclear facilities in place and how the fuel cycle is operated. The important distinction between less dangerous and more dangerous fuel cycle activities forms the basis of current U.S. policy—which supports the relatively safe activities and seeks to restrict the dangerous. The line that is drawn between the two is not popular, either with the uncompromising opponents of nuclear energy (who regard all its aspects as equally dangerous), or with its zealous supporters (who until now have resisted labelling any aspect of the fuel cycle as dangerous).

SOME HISTORICAL PERSPECTIVE

Some historical perspective on this distinction is useful. U.S. nuclear energy policy was from the first based on a keen awareness of the dangerous aspect of nuclear electric power. The Acheson-Lillenthal Report of 1946 (which makes pretty good reading thirty years later) concluded that the only safe way to exploit nuclear power was under international supervision and control. The report recommended that dangerous elements in the nuclear fuel cycle—those that provided direct access to nuclear explosive materials—be placed under international ownership, but the related U.S. proposal to the United Nations was not adopted, in part, because the Soviet Union would not agree to participate. (It is interesting to speculate on what might have happened had we gone forward without the Russians.) What did happen was that by the mid-fifties individual countries were proceeding to develop their own nuclear programs, encouraged and assisted by the U.S. Atoms for Peace program.

An International Atomic Energy Agency was established in 1957, primarily to monitor the flow of commercial nuclear materials and equipment among member countries wishing to avail themselves of these services. While the fact that nuclear explosive materials were dangerous and should be kept out of harm's way was recognized—Article XII of the agency's 1957 Charter speaks of IAEA custody over "excess" quantities of plutonium as a means of avoiding their accumulation in individual states—the use of plutonium and highly en-

¹ See the 1975 Encyclopedia Americana article on Nuclear Weapons by John Foster, then the Defense Department's R & D chief and a former director of the Livermore Laboratory: "It must be appreciated that the only difficult part of making a fission bomb of some sort is the preparation of a supply of fissionable material of adequate purity; the design of the bomb itself is relatively easy."

riched uranium was not specifically restricted beyond requirements for agency inspections.

The security implications of a course which led to easy access to nuclear explosive material in national stockpiles were apparently not obvious to the nuclear policymakers of the fifties and the sixties. The prospect of many nations in possession of substantial quantities of nuclear explosive materials all seemed very far away; nuclear weapons were assumed to be enormously difficult to design and fabricate; and the U.S. near monopoly on the technology, fuels and equipment for civilian nuclear power activities worldwide seemed to ensure U.S. control of the situation. Fledgling nuclear power programs were not thought then to have much to do with the development of nuclear weapons. The earlier prescience of the Acheson-Lillenthal group that they had everything to do with it was ignored. It is paradoxical that the true believers in technological progress did not contemplate the logical extension of that progress.

This may be explained in part by the fact that there was some genuine confusion on the technical side. It was once widely thought, for example, that "reactor grade" plutonium, that typically derived from spent power reactor fuel, was not suitable for use in nuclear weapons. This misconception about the possibility of "denaturing" plutonium, which seems to have originated in the Acheson-Lillenthal report, persisted until recently in many quarters—a confusion which apparently even the IAEA shared.

The unfortunate result was that many of those responsible for protection against diversion of plutonium to military uses were working under the impression that technological barriers against misuse of plutonium made their job of protecting the public easier. In fact, those technological barriers did not exist.

A CHANGE IN CIRCUMSTANCES

The situation is now altered and there is no longer any innocent excuse for the perpetuation of the notion that reactor-grade plutonium cannot be used for weapons. The U.S. government has stated unambiguously that this material can be used to produce militarily important nuclear weapons, and that a device using reactor grade plutonium has been successfully tested. The fact is that in simple designs for nuclear weapons plutonium from power reactors can be used to produce explosions with yields reliably in the range of kilotons—but any conventional measure highly powerful explosions. I stress this last point because some of those who argued it could not be done have fallen back to discounting the military significance of explosions of this size.

Information gaps have also been closed in the current version of the IAEA Safeguards Technical Manual, which provides the following guidance: plutonium of any grade, in either metal, oxide or nitrate form can be put in a form suitable for the manufacture of nuclear explosive devices in a matter of days to weeks.

To make full use of such a technical possibility, a country would have to perform the necessary preparatory work in advance, and secretly. This is a threat, however, that has now taken on a reality not present when the basic international rules for nuclear trade were formulated twenty years ago.

There have been other changes which contribute to the immediacy of the proliferation danger posed by commercial activities. First, the civilian nuclear power industry has grown enormously and by any reasonable measure (the plutonium production rate or the size of uranium enrichment facilities being utilized) exceeds the scale of the world's military nuclear programs. In fact, in most countries the quantities of pluto-

nium in spent reactor fuel, if separated out and stored, will dwarf any plausible military needs.

At the same time technical possibilities expand, however, the political alternatives for a country seeking nuclear weapons are narrowing. There is no question that as the dangers of proliferation gradually sink in, the major nuclear exporters are showing less inclination to continue the laissez-faire approach which has unfortunately characterized nuclear trade in recent years. The time is fast approaching when a country can no longer count on the international community to look the other way while it openly puts together an explosives program, even if it does so without violating the strict letter of various international cooperative agreements.

The recent alarm over the possibility of a nuclear test in South Africa and the international attempt to intercept it underlines this point. Ironically, it also emphasizes to any would-be nuclear weapons state the critical importance of concealing its intentions up until the last moment before an explosion.

A NEW POLICY FOR A NEW SITUATION

These considerations reflect a fundamental change in the nuclear state of affairs internationally. It is a change that forces us to confront the inescapable fact that parts of the civilian and military aspects of nuclear energy are too closely related for comfort. Once that fact is accepted, a change in nuclear policy is mandatory. The Acheson-Lillenthal group saw the dangers clearly; their view led to the decision, in 1946, to try to internationalize atomic energy. When that failed, the U.S. withdrew into a period of secrecy. Eventually we became more relaxed about the development of nuclear energy for peaceful purposes and secrecy was abandoned. Because we mistakenly thought civilian reactor safeguards could be stretched to cover the more dangerous elements in the fuel cycle—such as plutonium reprocessing when that day came—we allowed plans for the use of plutonium to go forward unhampered. There is where the damage was done.

The increased size and worldwide growth of the nuclear industry, the prospective availability of plutonium, and the inability to safeguard it properly against the possibility that it would be used for weapons as well as fuel led to a reassessment of the dangers; at the same time, the sharply increased projected costs of commercial reprocessing led to a critical reevaluation of the economic advantages of an early commitment to plutonium use. This in turn led to the shift in nuclear policy reflected in the actions of Presidents Ford and Carter in their efforts to restrict access to dangerous materials, to pause in the commitment to plutonium separation and use, and to search for alternatives to national stockpiling. In a sense we are now doing what we failed to do twenty years ago—thinking ahead.

Unfortunately it is getting a little late; our domestic industry and our international trading partners perceive the shift in nuclear policy as a threat to nuclear power and are pulling very hard in the opposite direction. The controversy is intense and every conceivable argument against making any connection between civilian and military uses of nuclear energy has been put forward.

WHAT ABOUT UNSAFEGUARDED PRODUCTION REACTORS?

It is contended, for example, that no country choosing to build nuclear weapons would turn to its civilian power reactors for the requisite explosive materials; to divert material in this way would risk detection by the IAEA inspectors, and in addition would provide too poor a grade of plutonium to interest weapons makers. Under this self-serving theory, if weapons material is wanted, a special-pur-

pose, unsafeguarded reactor would be built. It is possible at the moment to do this legally in countries not party to the Nonproliferation Treaty and therefore not subject to inspection of all its indigenous nuclear facilities. This underlines the need to extend the requirements of the treaty to nonsignatory nations by conditioning nuclear trade on acceptance of international agreements and inspection on all nuclear activities within importing countries. There is increasing pressure to do this, and the bill now before the Congress makes this a condition for U.S. nuclear exports.

Even if legal, however, the construction of a special purpose plutonium production reactor signals a country's intention to build bombs and, in the present climate, risks premature interception of its attempt to obtain explosive material for nuclear weapons. This risk can be avoided, however, by stockpiling separated plutonium from spent power plant fuel openly and legally. A defense establishment can design and fabricate a bomb in privacy; the illegal activity is then confined to a swift, almost one-step process: appropriation from its storage place of the necessary plutonium, fabrication, and insertion into the waiting bomb. It is surely the quickest, cheapest, and least risky route to nuclear weapons. So long as individual nations are permitted to keep nuclear explosive stockpiles they are, in effect, in possession of an option to make nuclear weapons almost literally overnight.

CAN WE RELY ON INTERNATIONAL SAFEGUARDS?

But, it is argued, if these nuclear activities are placed under the protection of international safeguards, it isn't necessary to put constraints on plutonium reprocessing or uranium enrichment. All that's needed is to beef up the IAEA's current inspections—more inspectors, more equipment. But safeguarding reactors and their fuel—typically many technological steps from use for nuclear weapons—is one thing; "safeguarding" the nuclear explosive material itself is quite another.

Periodic inspections of nuclear power programs involving only power reactors can provide a significant degree of protection by providing international warning of possible wrongdoing. This is because it takes many months or years to obtain the plutonium separation capability to turn reactor fuel into a form usable for weapons; awareness of a reliable advance warning system which would spot such activity serves as a deterrent to illicit bomb programs. It is important here to appreciate the vital element of time: the object of international inspection is to frustrate the purpose of the diversion by ringing an alarm in time to allow for counter-action by the international community. If sufficient time for effective response is not provided, "safeguards" won't work.

In other words, from the moment spent reactor fuel is translated into separated plutonium and stored, the element of "timely" warning, on which our present safeguards systems has been relying, evaporates. The same is true, of course, for stockpiles of highly enriched uranium.

It is important to understand that so far as safeguards are concerned a stock of nuclear explosive material is a lot more like a bomb than it is like a reactor. No one would dream of suggesting that nuclear explosive devices, regardless of how labelled, should be exported under international safeguards. The Nonproliferation Treaty settled once and for all the notion that nuclear explosives came in two categories—military and peaceful. Under the treaty no such distinction is permitted. Yet strip away the electronics and the conventional high explosives and label the plutonium as intended for peaceful purposes and many nuclear spokesmen, at home and abroad, will tell you that if subject to

occasional inspections it is a perfectly safe proposition: just like safeguarding power reactors.

AGREEING ON COMMON RULES

Two Presidents have decided otherwise. They perceived a serious safeguards deficiency and moved to change U.S. policy in consequence. The primary imperative of the new policy is to develop common rules for international nuclear trade. But before these rules can be formulated, much less implemented, it will be necessary to arrive at a common understanding of what is dangerous and what is not. It is clear that such an understanding does not yet exist, as witness export sales by our nuclear trading partners of plutonium reprocessing and uranium enrichment facilities. Common understanding must extend as well to how much the spread of nuclear weapons threatens individual countries and world security. This is a tricky matter, because intense international competition in nuclear commerce is involved—with its accompanying heavy investment as well as national pride—and tends to obscure the threat.

The fear of additional controls and their impact on international markets has led our own nuclear industry to attack the validity of the distinction being drawn between nuclear reactors and their low-enriched uranium fuel (a comparatively benign combination when subject to comprehensive oversight) and the more dangerous situation in which individual countries have access to facilities for the separation and storage of the plutonium derived from the operation of their power reactors. In the face of all evidence to the contrary, they have steadfastly insisted that international inspections of plutonium reprocessing activities will adequately protect against the danger of proliferation.

Their argument has now taken an odd turn. The lobbyists against control legislation maintain that the restrictions on commercial reprocessing facilities proposed by the President and the Congress involve a sacrifice without reward—no added safety can derive from such an action. According to industry spokesmen, just as countries with legal access to plutonium might design and fabricate weapons secretly, so countries without such legal access might also, without much added effort, reprocess spent fuel secretly in a small clandestine facility. I happen to think that one is relatively easy to hide and the other more difficult and risky (certainly doing both is more risky) and that the government's effort to make a distinction between the two cases is valid. What is most interesting, however, is that this latest wrinkle in the effort to forestall implementation of the new policy has led to some strange bedfellows: by saying, in effect, that all forms of nuclear power are equally dangerous, the nuclear industry seems to be agreeing with its most uncompromising opponents that the situation is far worse than the rest of us thought. Where that will take us is something I will leave to more fertile imaginations.

BILL IS NO TRIBUTE

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. ABDNOR. Mr. Speaker, the administration is attempting to blow a new breath of life into the Humphrey-Hawkins bill. Regardless of the good intentions this is still bad legislation.

A recent editorial in the Rapid City

Journal makes some good points reflecting the thinking of South Dakotans on this measure, and their concern that our native son, the Honorable HUBERT HUMPHREY, be remembered for a proposal so potentially harmful to our free society. I commend it to the attention of my colleagues:

[From the Rapid City (S.D.) Journal, Nov. 20, 1977]

HUMPHREY-HAWKINS STILL BASED ON FALLACIOUS IDEA

A watered-down version of the Humphrey-Hawkins Bill is back in the works and has been endorsed by President Carter. And while it is superficially more palatable, it is still a bad piece of legislation.

In its original form, which was introduced two years ago, the bill directed the federal government to coordinate monetary and fiscal policies to reach a goal of 3 percent unemployment in the adult work force—or 4 percent overall—within 18 months. It also called for use of a wide variety of federally financed jobs programs to reach that target. As a last resort, the federal government was expected to provide a low-paying job to any unemployed adult who wanted one.

That proposal got nowhere in Congress and a revised version was introduced last year. The deadline for achieving 3 percent adult unemployment was extended to four years and the provision which would have given individuals the right to sue for a job was eliminated. Even with those changes, the bill failed to reach the floor of either house of Congress for a vote.

The new Humphrey-Hawkins bill has the same unemployment goal but one more year has been added to the target date. In general, it sets as a national aim "the fulfillment to the right of all Americans able, willing and seeking to work full opportunities for useful paid employment at fair rates of compensation."

Unlike earlier versions, the watered-down bill offers no specific programs to provide jobs and has been criticized as being essentially meaningless. It has been described as no more than a get-well card for the American economy.

The flaw in the Humphrey-Hawkins bill as we see it is that it continues to have as its goal a full employment and balanced growth plan. In theory, the plan would apply only to government programs but that theory has no meaning. Federal power is now so connected to the structure of private economic activity that any presidential proposal, if enacted, must affect the private sector.

The bill is still based on the fallacious notion that in a free society, the most fundamental forces of human nature and the marketplace can be successfully manipulated by the power of government. Even in a totalitarian society like the Soviet Union that notion has worked badly. It cannot work in a free society.

One sales pitch for the bill is that it should be passed as a tribute to the ailing Senator Hubert Humphrey. That good man ought not to be remembered for such a bad bill.

LACKAWANNA COUNTY HONORED

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. McDADE. Mr. Speaker, I would like to bring to the attention of my colleagues a singular accolade that has been

bestowed on the Lackawanna County Conservation district in my congressional district in Pennsylvania.

They have received the top national award of the Keep America Beautiful Organization, Inc. (KAB) for the second successive year. Besides this, their entry has been enrolled in the KAB President's Society, the most prestigious honor of the organization. Only 12 States have ever received this commendation since its inception in 1973 and this is a first for the State of Pennsylvania. To be eligible for this honor a group must have received a first place national award during the past 3 years. Competition nationally for this honor was very keen.

Most of the work performed under the successful project was done by the youth of seven local schools under the guidance of the district's youth activities committee cochairmen, Sister M. Laurence of Marywood and George Shepuk, district director and the project coordinator, Sylvester Kazmerski. Other conservation district officials to be named for their efforts are: Kenneth Seamans, William Lange, Norman Miller, Ray Harris, Glenn Miller, Edward J. Zipay, and Dolores Matthews.

Over 52,000 evergreens, flowering shrubs and plants had been planted in open spaces throughout the county as well as the planting of 1,700 petunias in sidewalk containers in downtown Scranton.

I am very proud to represent a district where concern for the physical appearance of an area is a united effort. I believe it is a credit to the Keep America Beautiful organization and the local organizers but more importantly to the youth who have placed the Lackawanna County conservation district in an environmental "Hall of Fame" through their voluntary efforts.

TEMPORARY TAX EXEMPTION FOR CERTAIN SCHOLARSHIPS ENACTED

HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. CARTER. Mr. Speaker, legislation to provide a temporary tax exemption for certain federally funded health professions scholarship programs was signed into law on November 12, 1977 (Public Law 95-171). Under section 5 of this new law, students entering the Armed Forces Health Professions Scholarship Program (or any substantially similar program) before 1979 will be exempted from paying taxes on amounts received under such program(s) through 1982. Thus if a student enters the scholarship program in 1978, he or she will not be required to pay taxes on the scholarship funds through the 4 years of his or her education. The purpose of this temporary tax-exemption provision is to give the appropriate committees time to review the issues involved and determine the ap-

propriate tax treatment of these scholarship programs.

While I strongly supported this temporary relief measure, my own view is that a permanent tax exemption is necessary. Taxation of these scholarship funds will seriously undermine the attractiveness of these scholarship programs to future health professions students. The success of the National Health Service Corps and the Armed Forces Health Professions scholarship programs depends on having an adequate supply of graduating students to place in medically underserved areas. Before passage of this year's bill, I learned of many instances where students had to borrow funds just to pay the tax on their scholarships, and still other instances where the student decided not to apply for a scholarship at all because of the tax burden.

My legislation, H.R. 7993, provides a permanent tax exemption for funds received under these two scholarship programs. I will continue to work for enactment of a permanent solution to this problem in the next session, and I would welcome additional cosponsors at any time.

FOOD SAFETY AND NUTRITION AMENDMENTS OF 1977

HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. ROGERS. Mr. Speaker, together with the ranking minority member of the Subcommittee on Health and the Environment, Dr. CARTER, I have today introduced legislation, the Food Safety and Nutrition Amendments of 1978. This legislation would amend the Federal Food, Drug, and Cosmetic Act to revise and strengthen the law governing the processing, distribution, and labeling of foods.

The proposed legislation would revise the existing authorities under the act in two major respects. First, it would provide the Food and Drug Administration with expanded authority to detect and monitor adulterated and misbranded foods in food processing establishments and to prevent adulterated and misbranded foods from reaching the consumer. Second, it would require that important food ingredient, nutrition and other health information of benefit to the consumer be included in food labeling. In my view, these changes are in the immediate public interest, and I am hopeful that we will witness their enactment into law during the 2d session of the 95th Congress.

Dr. CARTER and I are introducing this proposed legislation this year in order to provide ample opportunity for analysis by interested parties. During the upcoming months, we will welcome comments and recommendations with respect to this bill from governmental, industry, and consumer organizations, and the general public.

I have asked my staff to prepare a document that includes the text of the bill and a summary thereof. This document should be available from the subcommittee office, 2415 Rayburn House Office Building, 225-4952, by the first of the year.

I look forward to working with my colleagues toward the enactment of this vitally needed legislation.

BURNS AND DAVIS-BACON

HON. TOM HAGEDORN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. HAGEDORN. Mr. Speaker, I would like to call to the attention of my colleagues the following correspondence on the subject of the Davis-Bacon Act written by Dr. Arthur Burns, the chairman of the Board of Governors of the Federal Reserve System. As Dr. Burns notes in his letter, the act, on top of its inflationary contributions, presents a major barrier to efforts to reduce hard-core unemployment in the country:

FEDERAL RESERVE SYSTEM,
Washington, D.C., November 3, 1977.
Mr. TOM PALMER,
Construction Cost Reduction Committee,
Inc., Tampa, Fla.

DEAR MR. PALMER: I am pleased to respond to your recent inquiry concerning my views on the economic effects of the Davis-Bacon Act. In his speech of April 22 on the House floor, Congressman Hagedorn correctly expressed my view that it is very difficult to reduce joblessness among the hard-core unemployed through the funding of Government construction projects since Davis-Bacon inhibits the use of less skilled workers at lower wage rates. The complex provisions of this legislation make specific employment effects difficult to evaluate, although the general inflationary impact of Davis-Bacon has been documented in several recent studies. These include:

Armand J. Thieblot, The Davis-Bacon Act, Industrial Research Unit, Wharton Business School, U. of Penn., Labor Relations and Public Policy Series, Report No. 10, Philadelphia, 1975.

Council on Wage and Price Stability, "An Analysis of Certain Aspects of the Administration of the Davis-Bacon Act," June 1976.

The problems associated with the Davis-Bacon Act are going to loom larger in coming years. In 1976 the Labor Department estimates that \$36 to \$40 billion was spent on Federally financed or assisted projects for which Davis-Bacon coverage is mandated. This year Congress is adding new public works projects under various pieces of legislation that will continue to increase the orbit of Davis-Bacon. More than 50 percent of the wages subject to this legislation represent negotiated union rates rather than prevailing rates, while the remainder are set by Labor Department surveys of local areas. Structural impediments to full employment such as the Davis-Bacon Act only serve to impede the effectiveness of national economic policy.

I appreciate your taking the time to send me the views of your organization on this important issue.

Sincerely yours,

ARTHUR F. BURNS.

IN MEMORIAM OF JOHN GREEN

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. FLORIO. Mr. Speaker, I feel that it is proper to take the time to pay tribute to a young man who exemplified the character, love and leadership of our young people. John Green was a junior at Glassboro State College who met with an accident while playing football. He passed away on December 8, 1977 at 10:20 p.m.

I insert in the RECORD the following memorial written in the White and Gold, the Woodbury High School newspaper:

IN MEMORIAM OF JOHN GREEN

Johnny graduated from Woodbury High School in June of 1975. While he was at Woodbury, he played football, basketball, and participated in track. He was a person who many people admired and loved. He had great courage and willingness to work. He was somebody you could go to, talk to, and he would speak with you.

Some teachers from Woodbury remember Johnny Green:

Mr. Fennal—"His excellent attitude and his willingness to help people impressed me."

Mr. Murray—"Johnny Green, to me, was everything I want my son to be. Johnny was a hard worker. He was an honest and talented person. Above all, Johnny was a Christian young man with high morals and standards. Johnny always had a smile no matter how bleak the situation. The Bible says, 'The greatest gift in the world is love,' and it's what Johnny Green's life is based on, love for his fellowman. Johnny's high school teammates used to call him my brother. If that meant that he and I were alike, then I'm proud of that label because he was all you could ask of a human being. The impression that Johnny left within me will always be remembered. It is a dream of mine that my son, Marc, will follow in his footsteps and be the Christian man and the athlete that Johnny Green was. His memory will always live on in my heart and I will always remember his determination, desire, and hard working ways to achieve success in life."

Mr. Miskar—"Johnny Green was a unique individual. He was intelligent and athletically talented, but he blended these gifts with humility. He was a leader; he had initiative and he was concerned about the welfare of others. Johnny was reliable and cooperative. He was always there when needed. He never let anyone down. But the one thing I liked best about Johnny was his smile for everybody—that's what made him special. His warmth and friendliness radiated to those around him. Yes, Johnny was a unique individual. He will be missed."

Mr. Leytham—"The thing that I most remember about Johnny Green was his smile."

Mr. Jacobs—"I can remember his smile."

Calvin C. Ferguson—"Johnny Green was one of the most courageous young men that I have had the pleasure of working with as a teacher and coach administrator. Even to the end, this young man's character was evident."

"Yes, I am ready. Dad, I love you."

These were some of John's last words to his father.

John will be missed, but his life can be

an example of the character and love and leadership for young people to exemplify.

What everyone remembers most is Johnny's smile. It was always there, no matter what the situation.

BILL TO AMEND THE CIVIL RIGHTS ACT TO PROHIBIT DISCRIMINATION OF THE HANDICAPPED

HON. JOSEPH A. LE FANTE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. LE FANTE. Mr. Speaker, on the opening day of this session I sponsored a bill to amend the Civil Rights Act to prohibit discrimination against the physically handicapped in employment on account of their disability.

Our Nation's handicapped are echoing the words of Winston Churchill: "Give me the tools and I'll do the job."

This message was brought home to me clearly when I attended the 1977 Conference on the Handicapped sponsored by Mayor Peter M. Mocco of North Bergen, N.J. More than 1,000 handicapped people attended the conference and spent the day discussing their needs and how to help themselves.

The conference, which was widely acclaimed, dealt with every aspect of life: Employment, education, transportation, recreation, health, finance, housing, law, communications, nutrition, and spiritual well-being.

The conference successfully brought information and expertise to the handicapped, and through their participation our disabled friends and neighbors demonstrated their eagerness to help themselves.

Mr. Speaker, my colleagues in the House and in the other body, we have in our hands the power to give the handicapped the tools necessary for them to become productive members of this society. Let us not delay longer in meeting their needs.

I wish it were within my limited powers to fully explain to you the attitudes and desires of those people who gathered at North Bergen High School for this outstanding meeting. It was one of the most moving events I have attended in my 15 years in public office.

Mayor Mocco is to be commended for his outstanding work and that of his staff in organizing this outstanding conference. The handicapped of North Bergen have been well served by his activities and the results of this meeting hold out promise of significant future accomplishments.

I salute Mayor Mocco and call his work to the attention of my colleagues in the House.

Let me recast the words of John Kennedy and say, "If a free society cannot help those who are handicapped, it cannot save those who are whole." In a world which places men on other planets, have we not the tools to improve the quality of life for our disabled?

We can no longer shun the handicapped and hide them away in some dark

corner of our society. They will no longer allow it and we cannot permit it to continue.

The message proclaimed in North Bergen is being repeated in every corner of our Nation: We want to help ourselves and we want to help build a better country.

Our handicapped will be heard and they will be heeded.

It is my hope that this body will provide the handicapped with one of their needed tools by passing H.R. 461 to prohibit discrimination against the handicapped in employment.

I am going to urge my colleagues on the Employment Opportunities Subcommittee and on the full House Education and Labor Committee to report that bill out with the hope that the House and Senate will act favorably on the measure before the end of the second session of this Congress.

UNCLE SAM'S ILLNESS—BLEEDING RED INK

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. HANSEN. Mr. Speaker, Dr. John Q. Public's first patient for the New Year should be our obese Uncle Sam wheezing from carrying a \$700 billion burden of debt from high living.

Sam, who owns the Yankee Trading Post, has been the world's good guy by throwing his bar open for "free drinks for the house" for several decades and a whole generation of international fiscalholics has resulted who demand the free-spending and give-aways continue or they'll go to the Cossack Bar across the street and do business with Red Ivan.

Sam, like many merchants, so much enjoys having customers that it does not seem to matter that he is not only not making any money, but he is paying for the privilege of having their business.

However, Red Ivan, who is really only in business because of banking and credit arrangements set up by Sam and his friends, seems to have an effective Casino operating which extracts enough from his guests that the free drinks are no problem, a technique Sam has not seen fit to adopt.

Sam in the meantime has domestic problems where his family is eating him up on big social spending. Some of his children are preoccupied with sexual freedom, homosexuality, wholesale abortions, and free child care. They demand allowances without doing any chores or helping in the business and many of them just help themselves to the family cash register.

The burden is beginning to tell and Sam's starting to slip on his upkeep allowances to older family citizens. So while social license for the young is up, social security for the aged is down.

Sam is starting to take a fix when he cannot meet his obligations—a temporary tax infusion which will put off the withdrawal pains to another day. But the

fixes are becoming more frequent and larger doses are needed while the burden grows by \$60 billion a year and massive trade deficits further damage his business.

Sam needs a diet and a cure—and hopefully a stern Dr. Public showing signs of concern and strong desire for getting Sam back into shape will insist that the Trading Post Board of Directors and management (the lawmakers, the executives and the courts) will put this project at the top of their New Year's Resolutions for 1978.

1902 RECLAMATION ACT

HON. LES AU COIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. AU COIN. Mr. Speaker, farmers in my district—as in most districts in the West—were shellshocked when the Interior Department proposed to resurrect the 1902 Reclamation Act through regulations limiting federally subsidized irrigation water to 160 acres. The announcement was a particular blow to farmers in Washington County.

Washington County today boasts some of the finest farm land in the State of Oregon. Yet lying adjacent to the metropolitan area of Portland, as it does, the country is constantly fighting the threat of urban development. It has successfully fended off developers only by expanding its production units and utilizing the most technologically advanced farm equipment to achieve maximum output at minimum cost.

Ironically, the Interior Department has advanced these regulations in the name of preserving the family farm, presumably from the on-slaught of the so-called corporate farms. The fact is that in Oregon these are often one and the same. Oregon State University reports that over 87 percent of Oregon's farming corporations are family farms.

And why do families choose to incorporate their farms? Sixty-seven percent incorporate for estate transfer reasons.

Mr. Cal Krahmer, a farmer in Washington County, put it this way when explaining his plans to incorporate with a neighbor:

If he tries to divide this land among his three children he knows that this will create three small un-economic farm operations which in effect will take a good parcel of farm land out of production . . . All the years I have farmed I have been land short and it's a way to allow my sons to farm.

Mr. Speaker, family farms—particularly in counties like Washington—will be preserved only if the proposed regulations are rewritten. I am speaking not just of future generations but for the present owners as well. Nearly every farmer I have talked to agrees that 160 acres no longer is a viable production unit. A farmer who had to sell off all but 160 acres would be forced out of business because, as one person said, "He couldn't even afford to own a tractor."

The time has come to review the Reclamation Act. To let a law enacted in 1902 stand in the face of the dramatic advances which have occurred in American agricultural during the past 75 years would be the height of irresponsibility.

Because I believe he so clearly spells out the consequences of the present plan for Oregon, I would like to insert the testimony of Palmer S. Torvend, manager of the Tualatin Valley Irrigation District, before the Department of the Interior in the RECORD at this time; this time:

STATEMENT BY PALMER S. TORVEND

Thank you for this opportunity to relate to you how we in the Tualatin Valley Irrigation District see these proposed rules and regulations enforcement affecting our family farms.

The following items in the proposed regulations are of greatest concern to our farmers and landowners. These must be either eliminated or drastically remodeled.

1. Applying the 160 acreage limitation to all incorporated farms including family farms which are incorporated under Oregon State law for efficient operation and local tax purposes. Our incorporated farms are family operations farmed by people who earn their living by farming.

2. Prohibiting the leasing of more than 160 acres by any person or legal entity regardless of whether the land was excess or non-excess will deprive our elderly farm owners of the opportunity to lease their land to a renter of their choice when they for health or age must give up actual farm work, but wish to continue living on the family farm. Many of the farms have been in the family for more than a century.

3. Depriving the landowner of excess land of his right to sell to any eligible buyer of his choice and instead requiring the Bureau to select buyers by a lottery or other impartial means.

4. The family relationship requirement denies the family farms in a reclamation project the operating flexibility that their neighbors have who happen to be non-project water users. The proposed relationship requirement is too narrow and restrictive to permit maintenance of a farm unit intact in case of death, divorce, or injury.

5. Reducing the terms of a recordable contract from ten years to five greatly reduces the incentive for excess landowners to enter into such a contract, and is a direct breach of contract by a federal agency.

6. The total impact of the changes could have serious repercussions on the landowners and farmers involved, and the financial stability of our District.

7. The proposals discriminate against farmers and landowners who do not have access to natural river flow irrigation water because of the physical location of their land, while their neighbors who have natural flow water rights with the State have no such restrictions.

The new proposed rules and regulations reflect a complete lack of knowledge about present day farming and agricultural production, of what it takes to make an efficient and economical farming operation. In addition, under the guise of preserving the family farm, a number of revolutionary changes in the application of the Federal Reclamation law are being put forward. The proposals are so far reaching that a number of landowners and farmers who have believed they were in complete compliance with the law as it has been administered will be forced to dismantle their farming operation. In our area such lands would be subject to strong pressure for urban development taking land out of food production.

When the reclamation law was passed in 1902, for example, farming was done with

horses. Based on more than 30 years of experience with irrigated agriculture in our area, where all farms are family operations, to be a success, full employment farm, the acreage required has risen every year since 1946. In other words, the 1902 160 acre limitation is as obsolete as the horse and foot-burner plow.

The proposal gives the federal government, U.S. Department of Interior, an unreasonable amount of control over privately owned farms. The farms in our District have been developed, cleared, drained, and otherwise improved by private capital and owner labor. Federal water is only a small portion of the total investment in the land now inside the project.

In the Tualatin Valley all of the people who are or will be in the future using irrigation water from the federal project, struggled for years to get the project because of the need for a sure supply of water to improve yields per acre and reduce the chances of crop failure. Another benefit is that as a result of more efficient production the cost of food to the consumer is kept low or reduced, thus a federal water project also helps the consumer.

It is imperative that action which reflects today's farm economy standards be adopted.

Crops have been grown for over a 100 years on the family farms in the Tualatin Valley. Except for a very few specialty types of crops with high per acre returns, 160 acres or 320 acres of irrigated land is not a full time family farm.

The family relationship definition, the treatment of a man and wife who loses his or her eligibility because of death imposes a heavy burden on the remaining family members and the family farming operation. We are already losing too many good farms because young people do not have the capital to finance a farm on their own. As an alternative they find other work which turns out to be more attractive and remunerative.

We urge that you do everything in your power to see that such unrealistic rules and regulations are not adopted and that the so-called 160 acre limit be brought up to date with current, efficient and economical farming practices. Federal government should not be given the power to supersede decisions on local land use laws. The minimum acreage per owner should at least be doubled, or dropped completely, and a farm family should not be restricted at all so an otherwise qualified lessee could not operate their farm because of the 160 acre limit.

THE HISTORIC CROWN OF ST. STEPHEN

HON. EDWARD J. DERWINSKI
OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. DERWINSKI. Mr. Speaker, evidently the President is determined to turn over the historic Crown of St. Stephen to the Hungarian Communist Government.

This decision by the President is not only a terrible blow to the spirit of the Hungarian people, but it may well represent a rejection by the administration of the just aspirations for freedom of all of the peoples behind the Iron Curtain.

Evidently the Carter human rights rhetoric of the spring no longer applies to peoples under communism. However, it apparently will be used selectively to chastise certain allies.

The Crown of St. Stephen is unique in its relationship to the people of Hungary

and their history. The decision to placate a government installed in power just 20 years ago by Soviet Armed Forces represents a complete reversal of the Carter administration interest in the constant denial of freedom from which all of the people in Eastern Europe and the non-Russians in the U.S.S.R. suffer.

It is obvious that the President has been ill advised, and his lack of experience and lack of knowledge of the history and tragedies of the people behind the Iron Curtain shows up in this decision.

Hungarian Americans have attempted to dramatize their views with the hope that the President would reappraise his decision. They deserve the support of all Americans as they raise their voices in legitimate protest of this decision. I am urging all civic, fraternal, and political groups representing peoples of Eastern Europe to join Hungarian Americans in their efforts to convince the President that the crown should not be returned, and hopefully, the President will still see the light of day when he recognizes the tremendous public disappointment at his decision.

KEEP AMERICA BEAUTIFUL

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Mr. McDADE. Mr. Speaker, I would like to bring to the attention of my colleagues a singular accolade that has been bestowed on the Lackawanna County Conservation District in my congressional district in Pennsylvania.

They have received the "top national award" of the Keep America Beautiful Organization, Inc. (KAB) for the second successive year. Besides this, their entry has been enrolled in the KAB President's Society, the most prestigious honor of the organization. Only 12 States have ever received this commendation since its inception in 1973 and this is a first for the State of Pennsylvania. To be eligible for this honor a group must have received a 1st place national award during the past 3 years. Competition nationally for this honor was very keen.

Most of the work performed under the successful project was done by the youth of seven local schools under the guidance of the district's youth activities committee cochairmen, Sister M. Laurence of Marywood and George Shepuk, district director, and the project coordinator, Sylvester Kazmerski. Other conservation district officials to be named for their efforts are: Kenneth Seamans, William Lange, Norman Miller, Ray Harris, Glenn Miller, Edward J. Zipay, and Dolores Matthews.

Over 52,000 evergreens, flowering shrubs, and plants had been planted in open spaces throughout the county as well as the planting of 1,700 petunias in sidewalk containers in downtown Scranton.

I am very proud to represent a district where concern for the physical appearance of an area is a united effort. I believe it is a credit to the Keep America

Beautiful organization and local organizers but more importantly to the youth who have placed the Lackawanna County Conservation District in an environmental "Hall of Fame" through their voluntary efforts.

TWO VIEWS ON HEALTH CARE

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. CRANE. Mr. Speaker, recently, two organized groups, the American Medical Association and HEW Secretary Joseph Califano, visited Great Britain for the purpose of examining the British National Health Service. During this visit, Secretary Califano was quoted as saying that U.S. hospitals were "incredibly obese and profligate." Well, in comparison to the British, U.S. hospitals and health clinics, in terms of quality care, medical equipment, modern facilities, and the expediency of treatment, are far better. If obese means that the American people are getting better and more medical services, should we place the providers of medical services on diets when Secretary Califano is simultaneously telling us that there is a health care crisis in terms of accessibility and quality in the United States?

Following is an article that appeared in the American Medical Journal on December 5, 1977, concerning the two groups' visits:

TWO VIEWS

An Associated Press report came from London the other day, to the effect that after examining the British National Health Service, HEW Secretary Joseph C. Califano said he was "very impressed."

The biggest obstacle to a similar system in the U.S. in money, the secretary opined. U.S. hospitals are "incredibly obese and profligate," he said quoted as saying.

By coincidence, a group organized by the American Medical Association was in London at the same time, studying the NHS. It is fair to say that all in that group would agree with the secretary on one thing: money is the biggest obstacle in anybody's national health insurance system—and this is most evident when the government gets its hands on the purse strings.

The day Secretary Califano was conferring with the British Home Secretary, the AMA group was visiting Guy's, one of the great teaching hospitals in the history of medicine.

The Americans saw many impressive things at Guy's, most notably, the dedicated, fiercely talented physicians and staff who keep the grand old place running.

There were some things the Americans did not see, however. The emergency department, for instance. Some lame excuses were given, but it was painfully evident that their British hosts were ashamed of it. It is old, crowded, shockingly underequipped, and it will not be improved.

Here is the reason why: the British are a little short of money right now, as everyone knows, and the decision has been made to put a cap on health spending. Moreover, it has been decided that resources are unevenly spread. The better-endowed places, like Guy's, will have to give up some of their resources.

It is all very well to distribute national resources fairly, but there is no talk among the British about increasing health spending for the poorer areas—merely about "leveling down." Some physicians at Guy's and elsewhere were in despair about what this means for British medical teaching and research.

The outlines of the British NHS are by now familiar, and there is little need to belabor the weaknesses or strengths of the system.

The British are justly proud of their success in granting access to health care to everyone, rich and poor. They are a little hazy, in the view of some Americans, when it comes to defining what quality and quantity of care are granted to the average patient.

On the day Secretary Califano was holding his press conference, the AMA group went out to the lovely countryside northwest of London to the communities of High Wycombe and Amersham. They saw the newest and best in hospital and health clinic.

They also saw the offices of a four-physician group of general practitioners. It was a neat and tidy set of offices in an old house. They saw the barren room where row on row of patients wait for their access to care. There were old examining tables in small offices, but little equipment.

One of the physicians, who impressed the Americans as a most conscientious doctor, proudly told them he and his three colleagues were buying their own machine to take electrocardiograms. The NHS wouldn't supply one to general practitioners, of course.

He was a little worried about the youngest physician in the group. It was absolutely imperative that each physician see an average of 12 patients an hour, or one every five minutes. Otherwise, they couldn't keep up with the number of patients who pour in—and they couldn't make a living wage, because they are paid by patient, not by service performed.

The new fellow was recently out of medical school, "and they seem to teach them to take 10 or 12 minutes on each patient," the experienced man complained. "That won't do at all. He can't keep up at that rate."

One last item. The Americans were treated graciously at Wycombe's new general hospital, but they may not forget the voice of the surgeon who spoke up at lunch there. All the area government administrators were in the room, hovering over the Americans, and the surgeon realized he had an ideal audience.

In a booming Yorkshireman's voice, he apologized for that "tatty little hospital" over in Amersham. It was a disgrace that modern medicine had to be practiced in such a place, he said.

The government kept promising that it would be improved, but it never was. And now, with the new planning and the new priorities, no one was under any illusion that it would be, he said.

The surgeon said he liked High Wycombe, but that he had wanted to practice nearer his home area. Not a chance, the government had told him some years ago; there weren't any surgery consultant vacancies.

"Don't ever let this happen to you," he warned the Americans. "Keep the government's hands out of your medicine."

The Americans had seen the Amersham hospital. As elsewhere, they had been impressed with the warmth and concern of the staff for their patients. What they saw, however, was an obstetrics ward where most deliveries were supervised by midwives; a gastrectomy performed in a surgical room inside a Quonset hut; a modern, but crowded geriatric center, one of relatively few in Britain.

When surgery was completed, a patient was moved to a nearby recovery room. Later, however, he would be taken outside to an ambulance for carrying to a separate building with patient rooms.

Amersham hospital was built in 1837, noted the district's top government health official—the year Martin Van Buren became U.S. President.

PRESIDENT HAILS FUSION ENERGY

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. PATTEN. Mr. Speaker, for many years I have been a strong supporter of fusion energy. I am, therefore, glad to announce a milestone in the development of this important energy resource with the recent groundbreaking for the Tokamak Fusion Test Reactor at the Princeton University Plasma Physics Laboratory. As President Carter stated in his message—

Our hopes for the future rest largely on the continued availability of energy. Fusion is the last energy source available and presents the highest challenge for this Nation's capability to put science to work for the benefit of all mankind. We must move ahead dramatically in fusion research during the next few years to gain the insights we need to make wise choices among our few long-term energy options.

Last year the House Committee on Appropriations, in recognition of the opportunities in fusion energy development, recommended rapid increases in funding. As noted in our report, the principal fuel material for fusion energy is seawater and, in theory, the fusion of the deuterium nuclei in a gallon of water could produce an amount of energy equivalent to that from the combustion of about 300 gallons of gasoline. In addition, "the controlled fusion process has certain unique characteristics which make it extremely attractive from the safety and environmental points of view. Thus, controlled thermonuclear fusion could well be a key answer to mankind's long range energy problems."

Mr. Speaker, my congratulations to the men and women of the Princeton Plasma Physics Laboratory, to the DOE, its predecessor ERDA, to Prof. Melvin Gottlieb, director of the laboratory, and to Prof. Lyman Spitzer, whose vision initiated the effort. My best wishes also to the subcontractors, Grumman Aerospace Corp., Ebasco Services, the Lawrence Berkeley/Lawrence Livermore Laboratories and Giffels Associates. I would like to include President Carter's message and the excellent speeches given by William G. Bowen, president of Princeton University and Robert D. Thorne, Acting Assistant Secretary of DOE:

THE WHITE HOUSE,

Washington, October 27, 1977.

I extend my best wishes to all those attending the groundbreaking ceremony for the Tokamak Fusion Test Reactor.

The initiation of this project is symbolic of our growing success in the development of fusion energy. It has the scientific objective of producing, for the first time in history, significant quantities of controlled thermonuclear energy.

Achievement of fusion power will have a profound effect on all nations. Our hopes

for the future rest largely on the continued availability of energy. Fusion is the last energy source available and presents the highest challenge for this nation's capability to put science to work for the benefit of all mankind.

We must move ahead dramatically in fusion research during the next few years to gain the insights we need to make wise choices among our few long-term energy options.

Fusion development is a national objective that will require the best of our academic, industrial and laboratory talent. It is also a world objective, and sustained cooperation among all nations in fusion research is more important than ever. In this respect, I also welcome the opportunity to congratulate our European friends—many of whom are present on this occasion—on agreeing this week to proceed with the Joint European Torus, a complimentary facility to the Princeton test reactor. The United States looks forward to working in close partnership with other nations in an endeavor that is so crucial for all of us.

May the spirit of cooperation that is so much in evidence on this occasion characterize our on-going achievements in fusion energy development.

JIMMY CARTER.

REMARKS AT TFTR, GROUNDBREAKING, FOR-
RESTAL CENTER, BY PRESIDENT WILLIAM
BOWEN

It is a great privilege for me, on behalf of the Trustees of the University, to welcome all of you to the Plasma Physics Laboratory this afternoon. I am delighted that so many representatives from government, the academic community, the national and international scientific communities, and business and labor are able to be here today to celebrate a very proud moment in the history of this laboratory and a significant event in the United States fusion energy research and development program.

In the most immediate sense we are of course gathered to witness the groundbreaking for a particular experimental device—the Tokamak Fusion Test Reactor. It is your good fortune—and mine—that I am not called upon to explain to you recent developments in fusion research—or to discuss such equally "easy" subjects as the economics and politics of energy in the world today or the mysteries of the federal legislative process.

Perhaps I can be allowed, however, to suggest that in a larger sense we are here to celebrate something still more important than even this extraordinary device: a continuing confidence, a continuing faith, in what the human mind can achieve if given the opportunity. I can never think of this Laboratory without recalling how all of this began. Local legend has it that our great friend and colleague, Lyman Spitzer, was skiing in Aspen one marvelously bright and sunny day when he made the mental connection between his knowledge of astromagnetic confinement and the prospects for fusion on earth. It would be enough to make one want to go skiing—indeed to make us want everyone to go skiing—if only the rest of us could claim even a fraction of Lyman's creativity, not to mention his knowledge of astrophysics.

It is in the nature of great ideas that they occur at odd times and that they surprise us. And in participating in this groundbreaking ceremony today, I hope all of us will feel a renewed debt of gratitude to those whose basic research in science and mathematics, extending over many decades, prepared the way for the work that is now before us—that will occupy many very talented people for additional decades, and that may itself take us in directions no one envisioned fully now.

A distinguished alumnus of ours in a very different field—Lewis Thomas, President of the Memorial Sloan-Kettering Cancer Center—has made my point much more eloquently than I ever could. In a beautifully written article on the history of medicine, he demonstrates that the most powerful, practically beneficial, tools of modern medicine—antibiotics, for example—were possible only after scientists had devoted decades of work to understanding the underlying mechanisms. Thus, he notes, "Without the long, painstaking research on the tubercle bacillus, we would still be thinking that tuberculosis was due to night air, and we would still be trying to cure it by sunlight."

In a society characterized all too often by an unwillingness to look ahead, a reluctance to take risks, and an impatience, a commitment to immediate "solutions," that sometimes borders on the pathological, it is encouraging to be reminded today that the speculations of a skier can lead to a program of research that offers the hope of some astounding practical possibilities.

I am meant only to greet you—and that means get out of the way for the speakers—so I shall resist the temptation to use this occasion to talk about another important subject: productive interactions among industry, government, and the academy. Without the support of the Congress, and without the foresight of the U.S. Department of Energy, as well as of its predecessor agency, this collaboration of scientists and technicians, of the University, government, and industry, would not have occurred. This Laboratory is, surely, a visible testimonial to such interactions and, as such, speaks for itself. I hope we shall remember its message, and apply it in other areas. There is so much to be accomplished, without as well as within the natural sciences.

To return more specifically to the Plasma Physics Laboratory, we should recognize that managing these collaborations, giving directions to our efforts, is no easy task. We simply would not be here today were it not for the extraordinary talent—and faith—and determination—of the person who has directed this Laboratory since 1961. It is with the strongest sense of parochial pride that I ask you to join me in recognizing the achievements of Dr. Melvin Gottlieb, Professor of Astrophysics and Director of the Plasma Physics Laboratory.

It remains only for me to say again how pleased I am to be with you this afternoon and to have a small part in this ceremony.

SPEECH BY ROBERT D. THORNE, AT THE TOKAMAK FUSION TEST REACTOR GROUNDBREAKING

Governor Byrne, President Bowen, Dr. Spitzer, Dr. Gottlieb, ladies and gentlemen.

It is a particular pleasure for me, personally, to have an opportunity to participate with you in this historic groundbreaking not only because it represents a significant milestone on the way toward a major scientific and practical objective, but also because, in a very special way, it reaffirms and gives evidence to a long-held belief of mine about the place of science and technology in our lives, the life of our Nation, and, most importantly, in all our futures.

I think it is time that all the citizens of our Nation finally recognize that we live in a scientific and technological world. Our national life has been dominated for many years by what are clearly scientific and technological crises, crusades, and inventions. The energy crisis is technological as are many of the discrete threats to the environment.

Our new drive toward infinite energy technologies—as typified by this fusion effort—is, like the space program a decade ago, a scientific and technological crusade. And, if we need evidence of domination by technological invention, we need look no further

than either television or the electronic computer revolution of the past 25 years or so, to see how a single technological development can permeate and deeply change almost every aspect of our lives. So we are a scientific and technological society, whether we like it or not. And the problem is that some people don't like it.

There are too many people who see only the ills and problems caused by the imperfections or abuses of our present technology. They see the pollution of the environment as purely a product of technology, rather than of a historic cultural pattern of neglect or a childlike faith in the infinite renewability of the environment. They see what they perceive as an unhealthy life style and an erosion of what they call basic human values as an outgrowth of our scientific and technological society. Indeed, they lay most of the ills of the world at the feet of science and technology. In other words, they see only the negative aspects.

I think it's time for a change in attitude toward science and technology. I think it's time that we began to recognize not only the incredible bounty of benefits that have accrued to us from our past scientific and technological efforts, but also the immense hope for the future that our current and future efforts promise. We need to recognize that science and technology are tools for use for good or evil. As tools, they are capable of being abused or misused and then they will produce problems. But when they are used properly, with discretion, wisdom and a sense of proportion, they can produce great good for all mankind. They can produce almost limitless hope for a future beyond our fondest expectations. And that hope, I believe, would be justified, for history already has demonstrated how science and technology have repeatedly exceeded early hopeful predictions for the future.

Thus the dominant theme in our attitude toward science and technology should be, not a negative anticipation of new and greater problems nor a bemoaning of technology-related difficulties, but a positive emotion of great hope—hope for solutions to our problems, hope for unimagined benefits, hope for a better life for all mankind. And I can think of no better example than the promise of fusion.

Fusion, in fact, is one of the few energy technologies we have, in which the general public perception is dominated by a sense of hope, untainted by fears of new problems or ills flowing from it. It is no exaggeration to say that the entire world awaits hopefully for the successful completion and operation of this project. Our National Energy Plan recognizes that our hopes for the long-term beyond the year 2000 rest largely on renewable and inexhaustible sources of energy. The Plan is based on the principle that the use of such inexhaustible sources will be vigorously expanded, while on the shorter term we conserve our diminishing supplies of conventional fuels and bring more mature energy technologies into the marketplace. Thus we have to make it clear to our public that fusion represents a long-term hope, and is not immediately around the corner.

This is another typical characteristic of science and technology. It takes time, dedication, resources and talent to come to fruition. And that's another concept that is sometimes difficult to understand for certain segments of the public. I am reminded of a quotation from an unknown 17th Century historian who wrote in part:

"It is strange that we are not able to inculcate into the minds of many men, the necessity of that distinction of my Lord Bacon, that there ought to be Experiments of Light, as well as Fruit. It is their usual words, What solid good will come from thence? But they are to know that in so large and so various

an Art of Experiments, there are many degrees of usefulness: Some may serve for real and plain benefit, without much delight; some for teaching without apparent profit; some for right now, and for use thereafter; some only for ornament and curiosity. If they will persist in condemning all experiments, except those which bring them immediate gain and a present harvest, they may as well cavil at the Providence of God, that He has not made all the seasons of the year to be times of mowing, reaping and vintage."

One might be tempted to speculate that this unknown writer back in the 17th Century had some vision of what we are about today. We have been on this road to fusion—this hopeful road—for some 26 years or more. It was back in 1951 that Dr. Lyman Spitzer pioneered the research in the physics of fusion plasmas, and founded the Princeton Plasma Physics Laboratory. In 1961, still 16 years ago, Dr. Melvin Gottlieb took up the reins as director of this laboratory and helped guide it toward its present preeminent position as the world's largest fusion research laboratory and a recognized leader in its field.

During these past 26 years, we have been working at a deliberate pace, carefully uncovering the fundamental principles of fusion plasma physics. One might say that these have been experiments "for light now and for use thereafter," to quote my 17th Century friend.

I am aware that there are many in the fusion community who believe that we now have reached a new plateau, that we are preparing to go beyond pure experiments of "light and teaching without apparent profit", that recent advances in plasma heating and confinement have virtually assured us of a future reason of "mowing, reaping and vintage." I hope so! If that is the case, then it gives even greater significance to our TFTR experiments, because they will constitute the first definitive demonstration of the basis for our hope.

Such a demonstration, such an achievement, however, should not be taken as a signal for us to relax our efforts, to slow down, to feel that we have made it over the hump. On the contrary, it should be a signal for renewed effort, renewed urgency, for renewed dedication to our goal. That goal will not be an easy one to achieve. It will take all of the intellect, resources, patience—and luck—that we can muster.

And even in that distant future when we have finally achieved our current goals, our work will still not be done. That too is typical of this business of science and technology.

I remember in my own life an earlier time of great and untroubled hope for another technology. We called it atomic energy then. I began working in atomic energy back in 1952. We all were so full of hope then. This was the time of Atoms for Peace, of a hundred or a thousand benefits from this new young technology and source of energy. Atomic energy was to be the bountiful and unblemished cornucopia for the world of the future.

Today, 25 years hence, we have realized many of the goals and objectives of our research program then. We have gained many of the hoped for benefits of atomic energy that we perceived then and quite a few that we never even suspected. But 25 years also have brought with them some sophistication, a new perspective, an understanding that some of the goals we hoped for then are not really very practical, a realization that some of the other goals are going to be far more difficult to achieve than we first expected, and also finally, a comprehension that there are few unmix blessings in science and technology, that there are costs and penalties and problems remaining to be solved. That is the sobering and maturing aspect of scientific and technological effort.

I do not, by this, wish to imply that I see all kinds of problems and difficulties emerging from the successful achievement of practical fusion. I don't. But I would not be surprised if there are not a few unsuspected problems ahead in our work on fusion. It would be unusual if there were not.

My point is, however, that if and when these problems do emerge, we should not be dismayed; we should not be discouraged; we should not lose our faith or our hope. Rather we should know that this is the way of science and technology. It comes with the territory. But problems can be solved. Solutions can be found. There is always new hope over the horizon.

To me, this is the true significance of this joyous occasion. Again, as pioneers of the past always have been, at the beginning of a venture, we are filled with great hopes, and that is the source of our joy and our buoyancy of spirit. Although the practical fruits of our fusion project still remain years ahead of us, we are today tasting that sweet and never-ending spiritual fruit of all science and technology—a virtually limitless hope for the future.

BALANCING THE BUDGET

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. ABDNOR. Mr. Speaker, a recent editorial from South Dakota points up the sorry record of the Carter administration and the Congress in regard to balancing the Federal budget. The editorial calls it a "dubious" record; it could be more aptly called a very sorry record. I commend it to the attention of my colleagues:

[From the Huron (S. Dak.) Daily Plainsman, Nov. 29, 1977]

DUBIOUS RECORD

Whatever other records the decade of the 1970s manages to set, it already has established for the record the most massive accumulation of national indebtedness for a decade in history. In November, the Treasury Department's daily financial statement showed the federal debt had passed the \$700 billion mark for the first time.

The trail leading to that bottomless well of red ink is interesting, if only because it shows the progressive nature of the beast. During World War I, now ancient history to most contemporaries, the debt reached \$25 billion.

By the end of World War II it had zoomed to \$200 billion. But it didn't really begin growing in earnest until the beginning of the 1970s, when the debt reached \$345 billion. In just seven years that figure has doubled.

Wars have added considerably to that debt, but it has been the peacetime years since the end of American participation in Vietnam that have been the record setters as far as debt accumulation is concerned.

Revenue sharing, which was dreamed up during the Vietnamese conflict as a way of getting rid of excess federal revenue after that war was over, is still with us. But revenue sharing can be blamed for only a small part of the record deficits of recent years.

Inflation is the real culprit. Inflation and the inability, or the lack of desire of Congress to estimate the potential cost of the programs that are written into law. The fact that many senators and representatives are aware that federal spending has gotten com-

pletely out of hand has been demonstrated by the numerous efforts to curb the trend. The Senate and House each have their own budget committees. Several varieties of Sunset laws—to require that programs or departments justify their existence periodically—have been introduced. The law which limits the federal debt has long been treated as a standing joke, to be revised whenever the ceiling is in danger of being exceeded. None of these has helped to change the escalating trend.

One of President Carter's most frequent campaign promises was that he would balance the federal budget. Just how any president could do this without full cooperation of a free spending Congress has never been explained. But in practice Carter's own White House expenses—staff and pay scales—have been increasing faster than those of the rest of the federal establishment. Furthermore, if Carter had a plan for balancing the budget, the prospect of congressional cooperation appears to grow dimmer with each passing week.

There is no evidence in sight to indicate that the massive escalation of national indebtedness will diminish through the rest of the decade.

AN APPEAL TO PROMOTE PEACE AND TO STOP THE NEUTRON BOMB

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. WEISS. Mr. Speaker, at the beginning of next week I will issue an appeal, printed below, to promote peace and to prevent production of the neutron bomb.

I invite my colleagues to join me in issuing this Christmas time call for peace in hopes that the President will be persuaded to forego production of the neutron bomb.

The article follows:

A CALL TO PROMOTE PEACE AND TO PREVENT PRODUCTION OF THE NEUTRON BOMB

This Christmas, as individual Americans we can give special meaning to the phrase "peace on earth" by urging President Carter to forego production of the neutron bomb.

Political and military leaders here and in Europe are now on the brink of ordering production and deployment of this gruesome radiation weapon. Christmas 1977 will not be a merry one if humanity is presented with a new and imminent threat to its survival.

Atomic warfare triggered by a neutron bomb will touch off a full-scale nuclear cataclysm killing millions of people. The prospects for peace on earth will be seriously diminished if the arms race is allowed to hurtle forward through production of this instrument of mass death.

We strongly urge Americans to invest a few minutes and a postage stamp in a saner world where there will be no neutron bombs, a reduced threat of global self-destruction and a lessening of the fear that our children's generation may be the last.

Send President Carter a Christmas card urging that he make this a happier holiday season by deciding not to put the neutron bomb into production. By filling the White House with these appeals, we will demonstrate that Americans and people everywhere want to encourage peace, not endanger it through production of the neutron bomb.

We urge all those concerned to become a part of this national effort—write the President now!

WASHED OUT BY BOR—CLEANED OUT BY IRS

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. HANSEN. Mr. Speaker, are the victims of the failure of a Government-built dam now to become the victims of another misconceived Government operation, an IRS capital gains ripoff?

Survival is a tough business in the Teton River flood plain. If you are not washed out by the Bureau of Reclamation, you are going to be cleaned out by the Internal Revenue Service.

I have just received from the Idaho District Director of IRS a set of questions and answers regarding the Teton dam disaster as it affects the taxpayers. A quick review will show in shocking terms what is in store for the farmer, the businessman, the professional services, the senior citizen, and most taxpayers in general.

IRS is making no allowance for un-restorable operations, no allowance for long-term record replacement, little or no allowance for changed lifestyles, no allowance for changed rental and labor factors, no allowance for property tax base shifts (especially for older citizens).

Mr. Speaker, my strong concern registered in part II, page E7389 of the December 15, 1977 Record is further verified by the IRS planned capital gains assault on the Teton flood victims. This is an absolute subversion of the will of Congress in restoring these people to their pre-flood well-being which cannot be tolerated.

If the IRS will not make fair and proper allowances for these citizens who have already suffered so heavily at the hands of a mismanaged Government program, then the Congress must take action when it reconvenes in January and pass my legislation (H.R. 382) to provide that relief.

The IRS report follows:

TETON DAM DISASTER INCOME TAX UPDATE

The attached questions and answers, fairly well, represent the array of inquiries dealt with during our November 28th get together in the Idaho Falls City Council Chambers. The Internal Revenue Service staff found the session quite fruitful. From the number of questions addressed during the group and individual sessions, hopefully, the participants found it equally as fruitful.

As we indicated during the seminar, several situations were raised that require specific answers due to unique individual circumstances...

There have been a number of questions regarding the replacement of personal property, land, and equipment designed for the raising and harvesting of a particular crop. The District Director will consider requests for rulings in unusual situations. The request should give all of the facts and circumstances of the situation and a description of the functions of the equipment and/or property in question.

Q. I had an antique piece of furniture that had appreciated in value at the time it was lost in the Teton Flood. Do I have to buy similar furniture in order to defer the gain on the disposition?

A. A special ruling allows a Teton Flood victim to group household furnishings; but

provides exception for items that have acquired an investment quality through a substantial increase in value, such as paintings and coin collections.

Even though your antique piece of furniture may have been used by you as furniture, the fact that it has appreciated in value would require that it be accounted for separately.

Q. On my 1976 return, I elected to defer gain on reimbursement for property lost in the Teton Flood. If I fail to acquire all of the replacement property by December 31, 1978, what do I do?

A. You are required to file an amended return for 1976 reporting the portion of the deferred gain resulting from your failure to reinvest on time. This amount is obtained by recomputing the deferred gain using actual costs of replacement instead of the estimated amounts that were used on the return.

Q. If I receive a partial settlement from the Bureau of Reclamation, when does time start and stop for my reinvestment rights under Internal Revenue Code Section 1033? Is it based on my first partial payment or when the amount to be received is settled?

A. The replacement property must be acquired within two years from the close of the tax year in which you first received reimbursement resulting in a gain.

You would first have a gain when the reimbursement received exceed your basis in the converted property.

Q. My land was covered with 8 to 10 inches of silt. The Bureau of Reclamation paid me \$300 per acre for this damage. FMV was \$1,500 with a basis to me of \$300 prior to the flood. Have I experienced a gain or loss and do I have to make an adjustment to my basis?

A. You do not have a deductible tax loss because you were reimbursed for all of the loss in value that you sustained. You do not have a gain because the reimbursement received did not exceed your basis in the land. You have to reduce the basis of your land to zero (\$300 basis less \$300 reimbursement) because you have now recovered your basis through the reimbursement.

Q. I am over 65 years of age so that I can qualify for the exclusion of gain on the sale of my personal residence. This residence was completely destroyed in the flood in 1976 and I was reimbursed \$30,000 for this loss in 1977. The tax law for the year 1976 says I can exclude \$20,000 and the tax law for 1977 says I can exclude \$35,000. Which law must I follow?

A. You can exclude all of the gain. The law in effect at the time the gain is realized controls the tax effect of the disposition.

Q. I lost my potato harvester in the flood and I replaced it with a new harvester costing \$20,000. I realized a gain from Bureau of Reclamation reimbursement of \$12,000 which I elected to defer. What is the basis of my new harvester for depreciation purposes? What is the basis for claiming investment credit?

A. The basis of the new harvester is cost less deferred gain on the harvester converted or \$8,000. This is the basis for both depreciation and investment credit. You could have investment credit recapture on the old harvester if it was held less time than what was estimated when you claimed credit on it.

Q. The irrigation ditches on my property were destroyed by the flood. If I replaced them with a movable sprinkler system, do I have to report any gain I receive due to reimbursement received from Bureau of Reclamation?

A. The gain would have to be reported as this does not qualify as similar in use property. Real property is being replaced with personal property. The taxpayer would be able to claim bonus depreciation, and the investment credit on the purchase of the new movable sprinkler system.

If the system is an underground system it would be considered similar in use property and gain could be deferred.

Q. We lost all our receipts and records during the flood. Will copies of cancelled checks be acceptable to Internal Revenue Service to substantiate expenditures?

A. If all receipts have been destroyed and other original source documents are not obtainable, cancelled checks will be given strong consideration as substantiation.

Q. If I received money for cleaning up my property and I cleaned up the property myself, how do I report that amount?

A. Money which you received for cleaning up your property does not represent income to you but the amount will enter into the computation of gain or loss and the basis of the property restored.

Q. As a result of the flood my field was eroded and covered with debris. The restoration costs of removal and leveling were \$10,000 which was the amount reimbursed by the Bureau of Reclamation. Can I deduct the cost of leveling as a soil and water conservation expense?

A. The costs of leveling up to the amount reimbursed are offset against the amount of the reimbursement. However, any cost expended in excess of the reimbursement would be eligible for deduction as a soil and water conservation expense.

Q. What could I do now to establish records of gains or losses for tax purposes?

A. If you did not keep a copy of the lists turned into the Bureau of Reclamation you should request a copy from them. In addition, keep your settlement sheets and all invoices or receipts for replacement purchases.

Q. If I elect to reinvest part or all of my reimbursement received from the Bureau of Reclamation, how do I make that election?

A. The election to reinvest in order to avoid taxable gains applies only to payments received for damages to or losses of property. The election is made for each item of property where similar property has been acquired, or you intend to acquire similar property within two years from the close of the tax year in which you first received any reimbursement resulting in a gain. The election is made on your Federal Income Tax Return for the first year in which any reimbursement resulting in a gain was received.

Q. In making the election what information needs to be furnished?

A. You should attach a schedule listing the property which was damaged, showing its cost or adjusted basis, the amount received for damages, and the resulting gain or loss. You should also show the amount spent in replacing each such property in the current year.

Q. How long do I have to replace property under the election?

A. The replacement property must be acquired within two years from the close of the tax year in which you first received reimbursement resulting in a gain. Generally this means that if you receive part or all of your payment from the Bureau of Reclamation in 1976 you have until December 31, 1978, to actually acquire the replacement property.

Q. If I do not wish to invest all of the reimbursement that I received for the loss of my personal residence and its contents, are there any tax benefits I should be aware of?

A. You may be able to take advantage of a provision called "income averaging" which may reduce your tax. There are also special provisions for people over 65 years of age which provide for non-recognition of gain from the disposition of a personal residence.

Q. I have replaced a substantial amount of farm equipment lost in the flood. Should I consider reporting a gain rather than electing to reduce the basis of the new equipment?

A. Yes. The long-term benefits may outweigh the immediate tax advantage obtained by the election. You should contact IRS or seek other professional tax advice because of the many factors to be considered.

Q. If I receive \$50,000 for the loss of my personal residence, do I have to reinvest the same \$50,000 in a new residence to avoid a taxable gain?

A. The requirement is that the property be replaced by a residence costing \$50,000 or more. However, it could be purchased with a down payment and assumption of a mortgage, for example, a \$10,000 down payment and \$40,000 mortgage loan, leaving \$40,000 of the reimbursement available for other investments.

You are cautioned, however, that the \$50,000 received for the loss of your residence was for the loss of the structure because you still own the lot on which it was located and the replacement would either have to be on the same lot or on a new lot purchased over and above the amount of the reimbursement for the structure.

Q. If I was reimbursed for loss of my salary during the flood, would I have to pay self-employment tax on the amount?

A. Since the reimbursement does not constitute self-employment income, you are not subject to self-employment tax and the amount of the payment is reported as miscellaneous income. However, if you were reimbursed for loss of self-employment income such as a farm operator or business owner the amount should be included in your gross receipts and if a profit is realized for the year it is subject to self-employment tax.

Q. My potato harvester was destroyed as a result of the flood and my ground is no longer suitable for raising potatoes. Must I reinvest in a potato harvester in order to defer the gain or could I reinvest in a grain combine?

A. A grain combine would not qualify as "similar" property and a gain would be recognized on the disposition of the potato harvester.

Q. I lost a steer which had been raised from a calf for home consumption purposes, and was reimbursed \$400 by the Bureau of Reclamation. What must I do in order to defer the gain?

A. You must invest the entire \$400 in similar property. This could be by purchase of calves or larger animals. However, your intention to use them for home consumption purposes must remain the same.

A 90TH BIRTHDAY GREETING TO MRS. VIRGINIA DOWDALL

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. KILDEE. Mr. Speaker, I am pleased to be able to draw the attention of my colleagues in the U.S. House of Representatives to the upcoming 90th birthday celebration of a cherished constituent of mine, Mrs. Virginia Dowdall. I have known her since I was a small boy in Flint, Mich., and she has been one of the examples for me in the conduct of my life. She is a former teacher and looks back on a full, happy life spent close to home. She was born in Davison, and even now her four children, 21 grandchildren, 12 great-grandchildren and two great-great-grandchildren still all live in the same vicinity.

Mrs. Dowdall will turn 90 on December 22, and a feature story on her was

published in the Flint Journal by feature writer Alice G. Lethbridge, who reported that Mrs. Dowdall's secret for a long life is hard work and helping others. Mrs. Dowdall was a charter member of St. Mary parish when it started, and when Holy Rosary parish was founded she also was a charter member of that church. She became Holy Rosary's first Altar Society president in 1951, and had held the same office at St. Mary. Mrs. Dowdall has been active in the Flint Council of the Daughters of Isabella and in the East Side Senior Citizens. She enjoys reading, playing cards and bingo, working word puzzles and watching television. Faith in God is her most firm belief, and she values her church, family and friends above all.

I hope this very brief background on Mrs. Dowdall will convey how much I respect and cherish her. I request that this greeting to her be published in the CONGRESSIONAL RECORD as an expression of good wishes to Mrs. Dowdall from the entire House of Representatives.

THE NEUTRON BOMB GETS NEW NAME

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. WEISS. Mr. Speaker, the article printed below appeared in the Washington Post today. The Army has apparently decided to give the neutron bomb a new name, but it is clear that production of this gruesome radiation weapon still poses the same threat to all mankind.

[From the Washington Post, Dec. 15, 1977]

ARMY IS STEPPING UP NEUTRON BOMB PROMOTION

(By Walter Pincus)

The Army is stepping up its merchandising campaign in behalf of its controversial neutron weapons.

For one thing, the enhanced radiation weapons, popularly and inaccurately (to the Pentagon's exasperation) called neutron bombs, have been officially named the Reduced Blast/Enhanced Radiation Warheads.

Also, in "Spotlight," a Department of the Army publication for senior military commanders, an article entitled "The Neutron Bomb," describes the new weapon as a device for "defending NATO without destroying the very countries we are fighting to defend."

The administration is having trouble getting the NATO allies to accept deployment of neutron weapons on their territory. President Carter has delayed his expected production decision until the NATO countries reach a "consensus" that publicly supports deployment.

The pamphlet, which is being reprinted in U.S. Army newspapers in Europe, was designed to combat news accounts which, it says, "have portrayed the development of the Reduced Blast/Enhanced Radiation Warhead . . . as having given birth to an insidious new killer device."

Instead, the Army article asserts, it "is nothing sinister. It is simply an improved version of theater nuclear warheads that have been in the Army's inventory for years."

To illustrate and emphasize the point, the publication includes two illustrations which purport to compare the effects of the present "fission weapon" and the proposed "enhanced radiation weapon" (for some reasons it is not called by its new RB/ER designation).

The fission weapon destroys tanks by blast and kills troops with radiation, but also lays waste to the neighboring town through thermal effects. Even the crops in the fields are burned out.

The neutron weapon, however, incapacitates tank crews and troops through lethal radiation but leaves the town standing intact. Even the crops remain untouched in the fields.

What is missing is any indication that there are dangerous radiation levels that would blanket the town in the case of both weapons—though at higher levels with the neutron.

With a two-kiloton neutron blast, for example, radiation levels that would kill half those exposed within 30 days would be delivered to exposed individuals in the town in the Arm's illustration—at least one-quarter of a mile beyond the indicated lethal radiation area.

In the effort to promote the virtues of the neutron weapons, the Army publication suggests it may be used to deliver radiation to specific targets without destroying them—a "death ray" characteristic Pentagon officials once argued with when stories on the neutron weapons first appeared.

For example, at one point it says the neutron weapons could be used on a "structure which must not be damaged [bridge, railroad, etc.] . . . The Remagen Bridge [which crosses the Rhine River in Germany] is a typical example of where blast damage [in World War II] would have been adverse to friendly forces, future operations."

The Pentagon adopted the new name for the neutron weapon, the RB/ER designation, to emphasize the less-destructive characteristics it likes to promote. The suggestion for the change, according to administration officials, came in a classified cable last summer from U.S. Ambassador to NATO W. Tapley Bennett, who is based in Brussels, where neutron weapons are considered controversial.

CITIZENS' CREED

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. RHODES. Mr. Speaker, Kenneth L. Muir, major, USAR, retired, wrote a citizens' creed which very eloquently describes the duty we all share as citizens of this great and free land. I include Major Muir's creed at this point in the RECORD for the benefit of all my colleagues and those throughout the country who read the CONGRESSIONAL RECORD:

CITIZENS' CREED

For God and Country, we the citizens of the United States of America, believe that our Creator provided this blessed country for us as our home and inspired our forefathers to author and enact the Constitution of the United States of America, delineating Americanism and the powers of government officials; the greatest instrument ever devised by man for the protection of God-given freedoms of the individual. A Constitutional Republic whose government officials are selected and elected by the citi-

zens eligible to vote; a perfect union of fifty states established on those principles of freedoms, equality, justice and Americanism for which American patriots have sacrificed their lives and fortunes.

We pledge allegiance to the Flag of the United States of America and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

It is our responsibility and duty to uphold and defend the Constitution of the United States of America; to obey its laws, to assist in the selection and election of honest, intelligent, conscientious patriots as government officials; to respect our Flag; to love our country and protect it from all enemies.

God bless the United States of America.

KENNETH L. MUIR,
Major, USAR, Retired.

TO AMEND THE INTERNAL REVENUE
CODE OF 1954 TO MAKE CERTAIN
CHANGES IN THE TAX REFORM
ACT OF 1976

HON. JOSEPH L. FISHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. FISHER. Mr. Speaker, today I am introducing legislation to make more workable those provisions of the Tax Reform Act of 1976 dealing with the capital gains tax on the sale of inherited property. Under the 1976 law, the inheritor of property must pay capital gains tax based on the difference between the sale price of the property and cost basis to the decedent, after certain adjustments, the principal one of which is the "fresh start" adjustment which I shall discuss below. Under prior law the inheritor would have paid a tax only on the difference between the value of the property on the date of sale and the fair market value on the date of death of the person passing the property on. Thus the 1976 law was a significant change and has brought with it many questions—and not a little criticism. My bill is an effort to answer some of these questions and criticisms. It tries to do three things: First, reduce the burden of the 1976 act on small estates; second, provide an alternative method of valuing inherited real property for capital gains purposes; and third, make certain conforming amendments.

First. One of the problems with the 1976 act was that it subjected even small estates to all the filing and reporting requirements. My bill will exempt estates of up to \$175,000 from these burdens. This so-called minimum basis of \$175,000 is in accord with the dollar amount of property which can be passed at death without incurring estate taxes. In addition, my bill amends current law to provide that the adjustment for minimum basis is to be made before the adjustment to basis for Federal and State death taxes paid.

In short then, under my bill, those estates worth less than \$175,000 will not have to concern themselves with the computations or filing requirements im-

posed under either the Federal estate tax or capital gains tax. I am told that this change alone will exempt roughly 98 percent of the estates in this country from burdensome filing requirements.

Second. The Tax Reform Act of 1976 permits assets subject to the provision to receive a "fresh start" adjustment in basis equal to their value on December 31, 1976. Thus the tax is imposed on the difference in the value on the date of sale and the value on December 31, 1976. The act provided that only marketable stocks and securities are entitled to be valued according to their true fair market value on December 31 of last year by referring to the quoted value on the applicable stock exchange. All other assets, whether real or personal, tangible or intangible, are to be assigned an arbitrary value on December 31, 1976, determined by applying a formula that measures the amount of pre-1977 appreciation by assuming that property acquired prior to January 1 1977, appreciates ratably until the date of the decedent's death. Since the value of the property at death has to be determined in order to comply with the estate tax laws, it was argued in the 1976 act that the value on December 31, 1976, could be determined arbitrarily by the use of a formula.

While this formula has the appeal of simplicity, it would produce inequitable results by assigning arbitrary values to particular assets, such as real property, which do not necessarily appreciate on a ratable basis.

In order to arrive at a December 31, 1976, value more closely resembling the true market value on that date, my bill permits the executor of an estate at his election to value each asset for purposes of the "fresh start" adjustment according to methods already accepted and widely used under the Federal estate, gift, and income tax laws. These methods include: First, the use of an appraisal to determine value; or second, real estate assessments using actual fair market value. This alternative method of valuation arms the executor of an estate with an important option if, as is often the case, the property in question has not appreciated ratably since the date of purchase or where records showing the original cost of the property are lost or unreliable. Moreover, my bill amends current law to provide that the fresh start adjustment is to be made both for purposes of determining loss as well as any gain that may be realized on a subsequent sale or disposition of the property.

Third. The bill also makes several changes that will greatly simplify the computation of the adjustments to basis for death taxes paid. Initially, the basis is increased to the higher minimum basis level of \$175,000 established under another section of the bill which I discussed earlier. Then, my bill provides for a single death tax adjustment to basis instead of the separate adjustments and computations which current law requires for Federal estate tax, State estate taxes, and any State inheritance or succession taxes that may be levied. To determine the amount of the adjustment to be made for each asset under the new formula which

my bill prescribes, an executor will only need to multiply the net appreciation of the asset by the applicable marginal Federal estate tax rate instead of the average rate which prevails under present law.

A number of other modifications are made to conform various provisions in the Federal estate and gift tax laws to changes in my bill. To equate more closely the treatment of items of income in respect of a decedent with the treatment accorded property subject to capital gains tax under the bill, the deduction for Federal estate and State estate taxes attributable to income in respect of a decedent is determined by reference to the decedent's marginal estate tax rate, which restores the rule that existed prior to enactment of the Tax Reform Act, while repealing the current rule that requires the deduction to be computed at the decedent's average estate tax rate.

The adjustment to basis for gift taxes paid is revised to place it more in accord with the adjustment to basis for death taxes paid. Under my bill, this is achieved by providing that the adjustment to basis for gift taxes paid is to be determined at the taxpayer's marginal rate instead of the average rate prescribed by the Tax Reform Act. Moreover, an adjustment is permitted for the first time for State gift taxes comparable to the adjustment which my bill extends to State death taxes paid.

In conclusion, I believe that this legislation will greatly simplify operation of certain of the provisions contained in the Tax Reform Act of 1976. The purposes of these changes are: First, to relieve executors of small estates from the rigorous administrative requirements and extensive computations which the 1976 act imposed; and second, to value inherited real property in a more accurate manner when determining the capital gains tax due on sale. I urge my colleagues to support the bill.

STEVE BIKO'S DEATH PROTESTED

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. MAZZOLI. Mr. Speaker, I would like to add my voice to the throng of citizens deeply concerned and appalled over the handling of the official government investigation into the death of South African civil rights leader, Steve Biko.

During the inquest, the newspapers were replete with reports such as: "Steve Biko's severe head wound was not made known to doctors for some 5 days"; and "Steve Biko was left lying naked, shackled, and incoherent from his head wound, on the prison floor."

It is possible that the magistrate could not identify those who were specifically responsible for Biko's death. But, it is inconceivable that the magistrate could have failed to denounce the system which

permitted such bestial and inhumane treatment.

The United States—a nation devoted and dedicated to human rights—cannot stand mute in the face of such gross violations of human rights.

To do other than protest Steve Biko's death would be to abdicate our national responsibility.

FRIEDMAN ON TAXATION

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. CRANE. Mr. Speaker, as we adjourn this 1st session of the 95th Congress, it is appropriate to reflect on the steps we have taken and on their impact. My esteemed colleague, Dr. Milton Friedman, has begun this review process in his fine column, "Tax Shenanigans," which appeared in the December 19 issue of Newsweek. As usual, Milton provides an insightful and hard-hitting analysis of congressional policy—especially in the economic realm—which we all should take time to mull over:

TAX SHENANIGANS

(By Milton Friedman)

Th President has recommended and Congress is likely to approve:

1. A whopping increase in the social-security tax on wages.

2. Heavy new taxes and substantial increases in existing taxes as part of the so-called energy bill.

In addition:

3. Inflation will automatically raise income tax rates by pushing individuals into higher brackets, reducing the real value of exemptions and deductions stated in dollars, and artificially overstating income subject to tax through paper capital gains and inadequate depreciation allowances.

4. Accelerating inflation will automatically raise the hidden tax that has been imposed on holders of government-issued money and long-term debt—you would not be wrong to regard the green pieces of paper you carry in your pocket as receipts for taxes paid.

5. President Carter has said he will recommend cuts in individual and corporate income taxes to offset the increases under items 1 and 2. The rumored size of the cuts would, as it happens, just about equal the automatic increase under item 3.

PUZZLES

Query: Why increase taxes on wages (item 1) and then propose to offset the increase by reducing taxes on income (item 5)?

Answer: In order to continue deceiving voters about the true character of social security and thereby increase the fraction of their income they are willing to have the government take in taxes.

Social security is not a system under which "nine out of ten working people in the United States are now building protection for themselves and their families" (as HEW misleadingly describes it). Social security is a system under which nine out of ten working people pay taxes to finance payments to persons not working. There is little connection between the taxes an individual pays and the amount he is entitled to receive.

Promises have outrun resources. The social-security system is in trouble. But it would be far preferable to bring into the open the welfare component of the system by drawing on general revenues than to raise

still higher the wage tax—in my opinion, one of the worst taxes on the books.

Query: Why go through the charade of first letting inflation automatically raise income taxes (item 3) and then offsetting the rise by an explicit tax reduction of roughly equal size (item 5)? Congress has been only too willing to provide for the automatic adjustment of its own salaries and the salaries of other government employees for inflation. Why should it not be equally willing to provide for a similar automatic indexation of taxes?

Answer: If you were a congressman, would you want to give up a system that provides more tax revenue for you to spend, yet at the same time lets you vote for tax reduction? In addition, this system has facilitated an increase in the effective graduation of the income tax, thereby continuing the process of imposing heavier taxes on the productive members of society and granting larger subsidies to the unproductive.

Query: Why impose heavy taxes on energy and then proposed either to rebate them to consumers or to offset them by other tax reductions?

Answer: The ostensible reason is to promote energy conservation. But that objective would be better served by setting energy prices free and letting the market allocate energy. The real reasons are to transfer control of energy from the market to a government bureaucracy (i.e., to socialize energy), and to redistribute income from some groups to others.

THE BOTTOM LINE

These measures have little to do with the total tax burden on the American people. That burden is measured by the amount that government spends, not by the receipts that are labeled "taxes." If government spends more than it receives in the form of "taxes," you pay the difference—in concealed form.

Neither the President nor the Democratic leadership in Congress has proposed to reduce the fraction of your income spent by government. Hence, the bottom line is that President Carter and the Congressional leadership are proposing to raise, not lower, the total tax burden on the American people. The disputes about taxes are important both as a smoke screen and because they will affect who bears the burden.

THE PATRIARCH OF MAFOLIE

HON. RON DE LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. DE LUGO. Mr. Speaker, I am certain that my colleagues will agree that in order for a community to prosper, a few good men and women must lead it. They must stand as models for the rest of the community embodying the values of wisdom, concern, generosity, and kindness, as well as respect for the land upon which the people walk.

Recently, the Virgin Islands lost such a leader. Joseph Sibilly died on December 9 after 88 years of service to the community of the Virgin Islands.

He was not native to the islands. At the age of 23, he bought land on St. Thomas and divided it among 12 families to be farmed. That they all prospered was due to his guidance and wisdom. He was self taught at so many skills that he could clear land, grow crops, construct houses, and build roads with no aid but his experience and intel-

ligence. He was renowned for his ability to tell a straight line without instruments, a crucial skill in our mountainous islands.

Joseph Sibilly's ideal of service went beyond farming. He was part of several local administrations and could always be counted for his calm advice and counsel in times of crisis.

Mr. Sibilly will be long remembered. He is survived by 7 children, 32 grandchildren, and 47 great-grandchildren. That they have all been imbued with his devotion of the islands is evidenced by their wish that no flowers be sent to his memory, but that contributions be made to improve a local hospital. Even more, however, a school which sits on land given by him to the government has been named for him.

The Virgin Islands Daily News eulogized him in its December 12 editorial. I commend this eulogy to my colleagues and fully agree with the conclusion reached by the writer—a man serves himself best when he serves others:

[From the Daily News, Dec. 12, 1977]

THE PATRIARCH OF MAFOLIE

It is somehow fitting that the family of the late Joseph Sibilly has requested that, in lieu of flowers for his funeral, that donations be made to improve Knud-Hansen Memorial Hospital.

For the essence of his long and valuable life was giving—giving not only material things but so generously of his wisdom, his skills and the values that he had so nobly not only spoken but lived by all his life.

He is perhaps best known to most of the people of these islands for his gifts of land to provide a site for the Catholic church and Estate Mafolie, the Mafolie Clubhouse and the public school that now bears his name.

However, throughout the Northside, there are many other monuments to this remarkable man. There is a system of roads that are testimonial to his keen eye and his intuitive skill at building, improving the land.

There is a whole community of people whose talent for farming is proof of his belief that the Northside and its people could form a valuable source of food for the island.

And there are the people themselves, many of who live on their own land in large part because Joseph Sibilly believed so fervently that Northsiders could find dignity and comfort through land ownership and was willing to do everything in his power to see that this goal was reached.

He leaves behind him a family that has carried on his good name throughout the island and his tradition of belief in hard work and the good of the community.

Joseph Sibilly was, in a sense, an Old Testament man; a patriarch with vision and strength and generosity. He left for all of us a valuable legacy, the knowledge that, ultimately, a man serves himself best when he serves others.

Let us hope that there are at this moment a hundred others like him springing up, for he left us at a time when his example is sorely needed.

SUICIDE, MOTHERHOOD AND MADNESS—BUT NOT ADOPTION?

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. MAZZOLI. Mr. Speaker, I am unalterably opposed to abortion on demand.

But, I believe that those who oppose abortion cannot stop there.

They have to support alternatives to abortion such as adoption subsidies and multi-purpose counselling centers for pregnant adolescents.

Contrary to a recent (leaked) HEW study panel's observation that the "only real alternatives to abortion are suicide, motherhood, and . . . madness," there are many alternatives attainable through the legislative process. Our task in Congress is to usher them onto the statute books.

I commend to my colleague's attention the following article which appeared in the Wall Street Journal of December 2, 1977:

SUICIDE, MOTHERHOOD AND MADNESS—BUT NOT ADOPTION?

(By Jonathan Kwitny)

The Carter administration has been trying all year to stake out a middle ground in the abortion controversy.

In opposing use of Medicaid money to pay for abortion, the administration has left neither side happy. It seems silly to resolve a moral issue like abortion on the basis of individual wealth, and sillier still to say that those persons with enough money to raise a child can have abortions and those without enough money to raise one can't.

More positively, however, the administration said it would study alternatives that might be offered to women considering abortion. Such a program, while recognizing the practical need for legally available abortions, might have offered moral relief for millions of us, apparently including the President, who are deeply trouble by the notion of destroying prospectively healthy children under normal circumstances.

Last week, however, the study of alternatives itself was apparently aborted. Connie J. Downey, the Health, Education and Welfare official in charge of the study panel, disbanded it, explaining that the only real alternatives to abortion are "suicide, motherhood and, some would add, madness."

Many adoption authorities think they know another alternative, and that Ms. Downey's statement was—as an Indiana social worker put it—"stupid." Said a state adoption worker in Texas, "I was hoping that committee was going to come out with some kind of help for us."

(Ms. Downey acknowledged that an Associated Press account of her report was accurate, but refused to answer further questions on the ground that her report was confidential within the department.)

One positive step the government could attempt is a public information campaign to dispel common misunderstandings about adoption. After abortions were legalized in New York State in 1970 (the Supreme Court ruling, affecting other states, came in 1973), the one-abundant adoption market dried up almost overnight. Current televised appeals to recruit parents involve any older, problem children.

Would-be parents are desperately waiting for almost any infant without a truly severe handicap. While Texas authorities report some problem placing black infants, major New York agencies have waiting lists of black couples hoping for a child.

Prospective adopting parents can't be counted because most are now too discouraged to keep their applications current. But, as Dorothy Dooley, director of adoptions at the New York Foundling Hospital, puts it, "If the word was out that there were children available, the lines would form from here to Alaska."

Elizabeth Cole, director on adoption for the Child Welfare League of America, says even

handicapped and retarded youngsters can now be placed, and that with proper counseling for unmarried pregnant women, more healthy infants might be available.

Mrs. Cole points to successful model counseling programs set up by private agencies in Oakland and Detroit and at Johns Hopkins University in Baltimore, and says that by emulating these programs the government might make quality counseling available nationally. "It seems to me that that's a do-able thing. I'm sorry that this project is disbanding without a (positive) report," Mrs. Cole says.

If the administration seriously wanted to discourage abortions, it could offer to subsidize the added costs faced by women who are willing to carry their babies to term and put them up for adoption. Right now, the only way most women who want to follow this course can get their medical bills paid is by selling their babies on the black market through private baby brokers, usually lawyers, who started scouting for available infants after legalized abortion made them scarce.

Professional agencies look on this black market with disgust, but they can't compete with it. Spence-Chapin, a well-known agency in New York, says it can afford to pay less than half of a donating woman's medical bills—let alone other reimbursement—while charging fees that many adoptive parents will see as high. United Family and Children's Society in New Jersey complains of the same problem.

Ironically, the Medicaid money that the administration won't spend on abortions also is withheld from women who might choose birth and adoption. Even more ironically, the only way a low-income woman can have these maternity bills paid in many cases is by keeping the baby, which will allow her to have the bills paid under the aid to dependent children law.

"This is Catch-22!" exclaims Mary Emmons, executive director of United Family and Children's Society. "If she's poor, why shouldn't the hospital bill be paid if she's going to give the baby up for adoption?"

Asked what Ms. Downey's panel could have recommended, Jane Edwards, executive director of Spence-Chapin, says, "That the government first of all provide financial services . . . so they (pregnant women) could choose either to deliver or to have abortions. I think the choice should still be up to them."

Clearly, adoption will not seem a preferable alternative to abortion in all cases—maybe not in most. But in many cases it would not only avoid the emotional scar of an abortion and save the life of a much-wanted child, but it would also renew—as only a child can—the lives of the adopting parents.

The government can't stop abortions any more than it could stop drinking or smoking. To roll back the clock to the days of unsanitary back-room surgery by outlaws would only foster more suffering and injustice than ever. But the government could make sure that when a woman does take the awful step of destroying her child, she has made the decision in an atmosphere in which the alternative of adoption has been presented in the best possible light and she has had a fair chance to consider it.

THE RETURN OF ST. STEPHEN'S CROWN TO HUNGARY

HON. ROBERT A. YOUNG

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. YOUNG of Missouri. Mr. Speaker, the following statement to the Inter-

national Relations Committee was presented by Miss Eleanor Schlafly, the executive director of the Cardinal Mindszenty Foundation, which has its national headquarters in by district.

Miss Schlafly's statement is a convincing argument why the U.S. Government should not return the Holy Crown of St. Stephen to the present Hungarian Government. I urge all my colleagues to read this statement and also cosign Congresswoman OAKAR's resolution prohibiting the removal of the crown from the United States without congressional approval.

My name is Eleanor Schlafly and I am the Executive Secretary of the Cardinal Mindszenty Foundation, Inc., a national nonprofit educational organization with members in all 50 states. For the past 19 years our activities have been dedicated to preserving freedom under God and to opposing atheistic Communism through educational programs. The Foundation is named for Cardinal Mindszenty of Hungary who is a saintly hero for all those who cherish freedom and human rights. Our Council is comprised of distinguished clergy who have experienced firsthand the horrors of Communism in various countries of the world and are eminently qualified to advise us.

On November 4, 1956 Soviet tanks and troops poured into Budapest and brutally murdered and enslaved the young Freedom Fighters, the rescuers of Cardinal Mindszenty and the people of Hungary.

On November 4, 1977 the U.S. State Department announced that the Crown of St. Stephen—the ancient symbol of Hungarian Christianity and nationhood—will be handed over to the illegitimate Communist government of Hungary by Secretary of State Cyrus Vance in December.

We believe that is a cynical betrayal of America's commitment to freedom and human rights.

The Crown was placed on Hungary's first King, Stephen, in the year 1000 by Pope Sylvester II. Since then it has been the most precious relic of the Hungarian nation. What General Patton's troops rescued from the Soviets in 1945 and what the United States has preserved ever since in safekeeping from Soviet desecration, is now being handed over to the Communists.

Every United States President since the end of World War II has honorably abided by the original promise to keep the Crown in safety until Hungary is free. President Nixon personally promised Cardinal Mindszenty in 1970 that our government would never return the Crown to the Communists. Last year President Ford announced that the Crown would remain in the United States. Today the government of Hungary is as much Soviet installed and controlled as it was in 1947 and 1956, and it is kept in power by the presence of 200,000 Soviet troops. It was Janos Kadar who suppressed and stifled the Freedom Fighters of 1956 and who continues to stifle freedom of religion and human rights.

Why should United States policy on the Crown of St. Stephen change now? Why should we dignify this godless regime with a Holy relic symbolic of Christianity and freedom?

The Communists know the Hungarian tradition that says no state ceremony is considered legitimate and no ruler is legitimate without the Crown. The Communists want to be considered a legitimate government despite a long record of taking power by force and violence. That is why over the years the Communists have steadily pressured our State Department and officials for the return of the Holy Crown of St. Stephen to give Dictator Kadar the appearance of

legality. They want to be considered legitimate and cover up their sins of naked aggression, murder and inhumanity.

We became keenly concerned about the Crown of St. Stephen in 1971, for it was then that His Eminence Joseph Cardinal Mindszenty, at age 79, was finally released by the Communists after 23 years of imprisonment and confinement due to his belief in God and God-given human rights. We visited him, received his blessing, approval and encouragement in the Foundations' activities, and then he made his first request of us. He said, and I quote: "Action is very necessary to keep the Holy Crown in freedom. It must never be returned to the Communist government. Ask your members to help save it." Unquote.

We are asking you, Mr. Chairman and your Members to save the Holy Crown of St. Stephen. We sincerely hope and pray that your Committee will take all necessary steps to see that the Crown remains in the United States until Hungary is once again a free nation.

THE DEFENSE SECURITY ASSISTANCE AGENCY (DSAA) AND THE PRESIDENT'S ARMS SALES POLICY

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. HAMILTON. Mr. Speaker, I would like to bring to the attention of my colleagues some correspondence I have had with the Department of Defense regarding the calculation of the dollar volume of fiscal year 1977 arms sales agreements with foreign countries for the purpose of reducing that dollar volume in fiscal year 1978, as stated in the President's conventional arms transfer policy of May 19, 1977.

Over the last several years, arms sales have been a matter of increasing concern in Congress. Both the volume and the sophistication of items sold for export have attracted attention and been the subject of legislative debate and controls.

The Defense Security Assistance Agency (DSAA) in the Defense Department is the Agency most directly involved in managing arms sales. For over 3 years it has been under the able direction of Gen. Howard M. Fish, who will be assuming a new post early next year. DSAA has been trying over the last few years, despite limited resources and frequent conflicting policy directives, to establish a more efficient method for handling the well over 5,500 letters of offer and acceptance (LOA's) issued on the average each year to foreign governments.

DSAA cannot and should not be blamed for all the problems which exist in the formulation and implementation of our arms sales policies. That agency has been only one actor in the policy process, and its performance can only be as consistent and coherent as the policy itself.

At this time, DSAA and other executive branch agencies are grappling with ways of implementing the President's directives. An important aspect of this review involves how the dollar volume of

arms sales agreements to be presented to Congress and the American people as a ceiling from which reductions are to be made in 1978 will be calculated. Because of two procedures exempting certain arms transactions from inclusion in the ceiling, the figure that will be bantered about publicly as the basis for future reductions will, of necessity, be substantially lower than that of the total amount of foreign military sales (FMS) agreements concluded each year and on the basis of which notifications are made to Congress.

First, under the provisions of the President's statement and procedures now being devised in the Defense Department and other agencies, this dollar volume total, or ceiling, will not include sales to NATO countries, Japan, Australia, and New Zealand states, with which we have major defense treaties.

Second, a distinction is being made between weapons and weapons-related items, which will be included in the ceiling figure, and nonweapons and nonweapons-related items, which will not be included. DSAA is currently defining these two categories, and consulting with other agencies on how to define them.

It should be noted that the distinction between weapons-related and nonweapons-related items is a distinction not made explicit in the President's May statement. In that statement, the items explicitly not to be included in the new figure, other than agreements with those states with which we have major defense treaties, are items which clearly can be classified as services and commercial sales.

What results from this discussion is the fact that we may be equating items which are clearly services with nonweapons-related items. "Services," in general, is a much more restrictive exception to the arms sales agreement figure than the vaguer definition, "nonweapons-related," which can be subjected to narrow or broad definitions. For example, the construction of an air base abroad may not be a "service" but it may not also be defined as "weapons-related." Yet, few of us would agree that such an item should be excluded from the ceiling figure. What items are included in the nonweapons and nonweapons-related category should be an object of close scrutiny by all those who wish to see the computation of a ceiling figure that truly reflects the level of our arms sales.

I hope that what results from the ongoing definition process by DSAA and other agencies and from the difficult task of implementing the new arms sales policy is a successful effort to control an instrument of American foreign policy which has not always been under control.

I would urge my colleagues to follow this issue and to seek to help the new policy and new procedures work. Let us hope that our Government is turning the corner on arms sales trends and that whatever definitions are used, arms sales overall will be coming down and that what is presented as a lower level of arms sales will not, in fact, cover up a business-as-usual arms trade atmosphere.

The correspondence with the Defense Department and the President's May 19, 1977, conventional arms transfer policy statement follows:

NOVEMBER 14, 1977.

Lt. Gen. HOWARD M. FISH,
Director, Defense Security Agency,
Washington, D.C.

DEAR GENERAL FISH: I appreciated very much your willingness to brief members and the staff of the International Relations Committee on arms sales accounting procedures and estimates for the last and this fiscal year. I regret that I could not attend the meeting on November 10, 1977.

It is my understanding that you are in the process of revising and redefining procedures for calculating Foreign Military Sales agreement totals, and that you may be making a distinction between "military-related" and "weapons-related" items and that, unlike in previous years, not all "military-related" FMS transactions will be calculated as part of the ceiling. I would like to know if this understanding is in any way accurate, and, if you are making such a distinction, on what basis you are making it. I also would like to know what specific new ground rules you are making for calculating FMS agreement totals.

I appreciate your consideration of this matter.

Sincerely yours,

LEE H. HAMILTON,
Chairman, Subcommittee on Europe and the Middle East.

DEFENSE SECURITY ASSISTANCE
AGENCY AND DEPUTY ASSISTANT
SECRETARY (SECURITY ASSISTANCE), OASD/ISA,
Washington, D.C., December 2, 1977.

HON. LEE H. HAMILTON,
Chairman, Subcommittee on Europe and the Middle East, Committee on International Relations, Washington, D.C.

DEAR MR. CHAIRMAN: This responds to your letter of 14 November 1977 concerning procedures for calculating FMS agreement totals. The sales totals which will be reported to the Congress under the provisions of Section 36(a) of the Arms Export Control Act will include all new FY 1977 sales agreements plus all major scope increase amendments, signed in FY 1977, to prior year programs. The reporting of such scope increases is consistent with the agreement to do so included in my letter of 26 January 1977.

Apparently, your reference to "military-related" items refers to the President's policy statement of 19 May 1977 which indicated that "The dollar volume (in constant FY 1976 dollars) of new commitments under the Foreign Military Sales and Military Assistance Programs for weapons and weapons related items in FY 1978 will be reduced from the FY 1977 total." NATO, Japan, Australia, and New Zealand were excluded from that policy. The Administration currently is in process of defining and identifying sales agreements for weapons and weapons related items consummated in FY 1977. This will assist in determining the amount of such items for which sales agreements can be signed with non-excluded nations during FY 1978.

The value of FY 1978 sales agreements for weapons and weapons related items associated with the President's policy will be considerably less than the total value of FY 1978 sales agreements not only because sales to NATO, Japan, Australia and New Zealand are excluded from the policy, but also because not all items and services sold under FMS are weapons or weapons related.

The Department of Defense still is required by statute (Section 36(a)) of the Arms Export Control Act to report to the Congress the total value of Foreign Military Sales agreements consummated under the author-

ity of the Act. Therefore, the ground rules used for such reporting in FY 1978 and subsequent years will be identical to those used in FY 1977.

Sincerely,

H. M. FISH,
Lieutenant General, USAF.

STATEMENT BY THE PRESIDENT—CONVENTIONAL ARMS TRANSFER POLICY

The virtually unrestrained spread of conventional weaponry threatens stability in every region of the world. Total arms sales in recent years have risen to over \$20 billion, and the United States accounts for more than half of this amount. Each year, the weapons transferred are not only more numerous, but also more sophisticated and deadly. Because of the threat to world peace embodied in this spiralling arms traffic, and because of the special responsibilities we bear as the largest arms seller, I believe that the United States must take steps to restrain its arms transfers.

Therefore, shortly after my Inauguration, I directed a comprehensive review of U.S. conventional arms transfer policy, including all military, political, and economic factors. After reviewing the results of this study, and discussing those results with members of Congress and foreign leaders, I have concluded that the United States will henceforth view arms transfers as an exceptional foreign policy implement, to be used only in instances where it can be clearly demonstrated that the transfer contributes to our national security interests. We will continue to utilize arms transfers to promote our security and the security of our close friends. But, in the future, the burden of persuasion will be on those who favor a particular arms sale, rather than those who oppose it.

To implement a policy of arms restraint, I am establishing the following set of controls, applicable to all transfers except those to countries with which we have major defense treaties (NATO, Japan, Australia, and New Zealand). We will remain faithful to our treaty obligations, and will honor our historic responsibilities to assure the security of the state of Israel. These controls will be binding unless extraordinary circumstances necessitate a Presidential exception, or where I determine that countries friendly to the United States must depend on advanced weaponry to offset quantitative and other disadvantages in order to maintain a regional balance.

1. The dollar volume (in constant FY 1976 dollars) of new commitments under the Foreign Military Sales and Military Assistance Programs for weapons and weapons-related items in FY 1978 will be reduced from the FY 1977 total. Transfers which can clearly be classified as services are not covered, nor are commercial sales, which the U.S. Government monitors through the issuance of export licenses. Commercial sales are already significantly restrained by existing legislation and Executive Branch policy.

2. The United States will not be the first supplier to introduce into a region newly-developed, advanced weapons systems which would create a new or significantly higher combat capability. Also, any commitment for sale or coproduction of such weapons is prohibited until they are operationally deployed with U.S. forces, thus removing the incentive to promote foreign sales in an effort to lower unit costs for Defense Department procurement.

3. Development or significant modification of advanced weapons systems solely for export will not be permitted.

4. Coproduction agreements for significant weapons, equipment, and major components (beyond assembly of subcomponents and the fabrication of high-turnover spare parts) are prohibited. A limited class of items will be considered for coproduction arrangements, but with restrictions on third-country

exports, since these arrangements are intended primarily for the coproducer's requirements.

5. In addition to existing requirements of the law, the United States, as a condition of sale for certain weapons, equipment, or major components, may stipulate that we will not entertain any requests for retransfers. By establishing at the outset that the United States will not entertain such requests, we can avoid unnecessary bilateral friction caused by later denials.

6. An amendment to the International Traffic in Arms Regulations will be issued, requiring policy level authorization by the Department of State for actions by agents of the United States or private manufacturers which might promote the sale of arms abroad. In addition, embassies and military representatives abroad will not promote the sale of arms and the Secretary of Defense will continue his review of government procedures, particularly procurement regulations, which may provide incentives for foreign sales.

In formulating security assistance programs consistent with these controls, we will continue our efforts to promote and advance respect for human rights in recipient countries. Also, we will assess the economic impact of arms transfers to those less-developed countries receiving U.S. economic assistance.

I am initiating this policy of restraint in the full understanding that actual reductions in the worldwide traffic in arms will require multilateral cooperation. Because we dominate the world market to such a degree, I believe that the United States can, and should, take the first step. However, in the immediate future, the United States will meet with other arms suppliers, including the Soviet Union, to begin discussions of possible measures for multilateral action. In addition, we will do whatever we can to encourage regional agreement among purchasers to limit arms imports.

SUBURBAN CAUCUS PROTEST—ITS FIRST OFFICIAL ACTION

HON. RONALD M. MOTT

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. MOTT. Mr. Speaker, I would like to offer for the RECORD a copy of a letter sent by the newly formed suburban caucus to Patricia R. Harris, Secretary of Housing and Urban Development, which protests rule changes being contemplated by HUD which would discriminate against suburbanites in the community block grant program.

The letter represents the first official stand taken by the caucus:

DECEMBER 8, 1977.

HON. PATRICIA ROBERTS HARRIS,
Secretary, Department of Housing and
Urban Development, Washington, D.C.

DEAR MADAM SECRETARY: As Members of the House Suburban Caucus, we view with considerable dismay HUD's proposed rules to implement the Housing and Community Development Act of 1977. Specifically, your agency's proposed regulations would negatively affect local community development efforts. As published in the Federal Register of October 25, this rulemaking would require that participating governments spend no more than 25 percent of their Community Development Block Grant moneys for projects designed principally to aid in the prevention or elimination of slums or blight or to meet other urgent needs. Seventy-five percent of CD grants would have to be reserved

for projects of direct benefit to persons of low and moderate income.

There is absolutely no legal basis for this arbitrary quota. In fact, the regulations countermand congressional intent in approving the 1977 Act and in no way accurately reflect the provisions of the statute. According to the law, if a project is designated to meet any one of the primary purposes designated, the application must be approved. With this in mind, we strongly endorse the attached letter sent to you by the Chairman and the Ranking Minority Member of the Subcommittee on Housing and Community Development.

The Department's proposed rules are a prime example of why Congress and successive Administrations of both parties have moved away from narrow categorical programs into block grant funding. Block grants allow for a maximum of discretion by local communities to meet their own unique needs within broad guidelines set forth in the law. We see no justification for your Department's position, which represents a giant step back toward centralizing control over federal programs and diminishing local discretion and control over programs, the need for which can best be determined by local governments.

Moreover, programs designed to benefit the suburban poor would, in many instances, have to be discontinued under the proposed regulations, because the incidence of suburban poverty is often not concentrated enough to meet the new criteria. In effect, communities would be hamstringed in their attempts to stabilize declining areas until the damage is already done and solutions become even more costly. These provisions, therefore, defeat the purpose of the legislation and foretell the end of federally supported community development in the suburbs.

To exacerbate the situation, the proposed rules are cloaked in excess legalese so as to be virtually incomprehensible to local officials and the public. Program regulations should not be written in a manner which enables interpretational twists convenient for federal officials. A stated goal of this Administration is to cut red tape to prevent arbitrary and prejudicial misapplications of the law. HUD's proposed regulations fail to meet this goal.

We strongly advise the Department against instituting regulations which disregard the statutory intent of the Housing and Community Development Act of 1977. We look forward to receiving your response at your earliest convenience and hope that our recommendations will be viewed in a positive vein. Furthermore, we trust that the Department's proposed rules will be revised to reflect our concerns. We will avail ourselves, if necessary, of all legal means, both legislative and judicial, to prevent the present proposal from taking effect.

With best personal regards, we are,

RONALD M. MOTT,
Chairman.
JOHN WYDLER,
Chairman.
MARK HANNAFORD,
Secy.-Treasurer.

PRESIDENT CARTER COULD PUSH TOO HARD

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. SOLARZ. Mr. Speaker, I would like to share with my colleagues an excellent article which recently appeared in the Jerusalem Post.

This article is a most persuasive analysis as to why U.S. pressure on Israel to make concessions she believes are unwise would be counterproductive to our interests. The United States has an historic commitment to the survival of Israel and a solemn obligation toward her continued security. It is one thing to attempt to reason with Israel when we believe that it has adopted a misguided policy, but it is another thing entirely to attempt to force concessions on matters considered vital to Israeli security.

There are, unfortunately, those who believe that Israel should be forced to accept a settlement which it would never accept were it left to Israel itself.

Leaving aside the fact that for Israel the terms of a settlement are a question of survival while for us they are a matter of convenience, I believe any effort to impose a settlement would be morally mistaken and politically counterproductive.

This article makes a clear and conclusive case why an effort by the United States to withhold economic and military aid from Israel would only serve to divide the United States and uniting Israel in opposition to us. Surely diplomacy requires more subtlety than this.

Following is the article by Mr. Merhav:
PRESIDENT CARTER COULD PUSH TOO HARD

American pressure, and what President Carter has praised as Israeli flexibility, have brought the re-convening of the Geneva Conference a step closer. Procedural acrobatics and verbal sleight of hand, together with the reluctance of all the parties involved to stand guilty as obstructionists, have made it possible to achieve this immediate goal.

This short-term objective of getting everybody to Lac Leman has also dictated the repeated, often dramatic, American assurances that there will be no imposed solution, that the U.S. remains committed to Israel's existence, well-being and security, and that there will be no economic pressure and no footdragging on military aid.

Much of this is no doubt genuine. America's commitment to Israel is real. It is not only anchored in the sympathies of large parts of the American people, or in the political power of influential segments of the American public, but it is also founded in solid U.S. self-interest.

Nevertheless, the assurances are somehow not as convincing to Israelis as official American policymakers probably want them to be. Most Israelis, regardless of their attitude to the Government's foreign policy, feel the hot breath of American pressure in the nape of their neck.

This distrust of American promises has several causes. The first and most obvious is the recognition that if the U.S. has so far refrained from any really painful arm-twisting, it was because it was unnecessary for the immediate purpose of getting the Geneva Conference going; at the time, the use of the leverage that the U.S. could exert would have been wasted. Evidently, an Israel dragged to the negotiating table by brute force will be of no use there.

At the same time, it is clear that Israel's positions are irreconcilable with those of the U.S.—not to speak of the Arabs and the Soviet Union. It is therefore widely expected that Geneva II will produce a deadlock which, in turn, will spell the beginning of real American pressure.

This expectation is reinforced by the memory of other occasions in Israel's short history when American pressure was applied and American assurances were not kept. Fear of

what may happen if the present promises also turn out to be good only as long as they are politically useful to their makers, together with what is perhaps a national trait of being prone to overreact and to be distrustful, add up to what others may regard as a somewhat cynical hard-headedness.

Now what is the extent and what are the limits of the coercive power that the U.S. can wield? *Time* magazine recently published a much-quoted description of how the U.S. might lean on Israel. For any Israeli familiar with the real facts, that outline looked very understated. Presumably, Americans who are in the know are also aware that the *theoretical* power of bringing Israel to its knees is much greater than that implied by the simple dependence on American financial and military aid.

But if American pressure is to be effective, it must be brute and massive. If, at any time, under any circumstances, an American administration should decide to resort to such tactics—assuming that it would be able to do so from the viewpoint of its own domestic political position—it would no doubt find that the use of ultimate power is as impossible in this area as it is with regard to nuclear weapons.

For in the face of massive foreign coercion, nearly all Israelis would bury their internal differences and join in opposing foreign pressure. This would be true even for those who believe that Israel should return the occupied territories in exchange for peace, keeping only what it can get by peaceful agreement at the conference table; those who are not scared out of their wits to negotiate even with a PLO that would recognize and accept Israel; and those who do not see a Palestinian state as necessarily the end of Israel.

This is so because there is a fundamental difference between concessions freely made, out of a recognition of what reality dictates, and a capitulation to foreign pressure, however much accompanied by tea and sympathy. The former is a matter of internal dispute in Israel, which is still going on. Brute pressure from the outside will stifle that dispute completely.

If, therefore, American policy wants to get 95 per cent of all Israelis to close ranks behind the Begin-Dayan policy, it can achieve that purpose best by leaning on Israel as heavily as possible.

But it is not merely a gut reaction to foreign pressure that will turn even opponents of present Israeli policy into its supporters, at least a good part of the way. What would also have an effect is the recognition of what such an attempt to cow Israel into submission will do to the Arabs. A recent Harris poll showed that 45 per cent of Israelis still believe that we should make territorial concessions also on the West Bank. A similar poll among Arabs would probably not reveal more than 10 per cent (if that) who are willing, today, to so much as acquiesce to Israel's existence.

Pressure on Israel, each and every concession extracted from it by force, will be a reinforcement of the extremists on both sides. It will prove to the hard-line Arabs—and they are still the vast majority—that the toughest stand pays the highest dividends. It will also prove to most Israelis that they have no choice but to be intransigent.

On both sides, there are moderates. In a sense, they are the true extremists. For it takes courage, among the Arabs, to state publicly that one accepts Israel's right to exist. So far, only very few have had that courage. Even fewer have political weight. In democratic Israel it needs no heroism to accept the rights of the Palestinians, and to bow to the limitations which reality and morals impose on Zionist aspirations; but the perseverance needed to make that view heard is great and growing greater.

But it will perhaps be argued that the U.S. has no need to resort to the ultimate power at its disposal. It might apply moderate pressure, enough to be painful but not enough to cripple. Conceivably, the arm-twisting could be optimized so as to cause the Israeli Government serious domestic difficulties which, together with diplomatic pressure designed to isolate it, might either force it into a reversal of its policies or even bring about its downfall.

If Israel were not the democratic country that it is, but one of those "revolutionary," dictatorial or pseudo-parliamentary regimes with which the U.S. has much experience, such a "sophisticated" application of leverage might work. In Israel it will not. It will be ineffectual, will produce the same reactions as heavier pressure, and—once such a tactic of "continuing diplomacy by other means" is adopted—will inevitably escalate into the use of brute force.

The massive pressure in which any squeeze must end up makes sense only if it can obtain results quickly. But the more brute the force, the more are people in Israel likely to accept almost any sacrifice to withstand it. For six months, a year, possibly much longer, Israel is able to hold out against any conceivable sanctions which the U.S. could apply in practice. Meanwhile, the very fact that no results are obtained is likely to create an explosive situation, regardless of where the spark will strike first.

It has been said again and again that there is a fundamental asymmetry between the Israeli and Arab situations in the conflict. For Israel, any settlement, any concession, always touches upon its very chances of survival—national and, also, physical. Not so for the Arabs, not even for the Palestinians. This difference is still ignored.

Any Israeli, however dovish, however willing to share historical rights and political sovereignty with another nation, will therefore stand up and fight if his nation is raped into concessions while his enemies are, by that very coercion, encouraged to press on, not for compromise and acceptance, but for the attainment of their most extreme goals.

If, therefore, the U.S. wants to destroy any chance of a true and lasting peace, it should indeed encourage Arab as well as Israeli hawks by leaning on Israel. If, on the contrary, it truly wants to promote the cause of peace, it should allow Israel's policies to run their course and remain subject to democratic internal debate; it should not attempt to forge them into hard homogeneity by the application of outside pressure. Moreover, the U.S. should demonstrate to the Arabs, as forcefully as it can, that their acceptance of Israel, fully and without reservations, is a precondition for any settlement.

Only if there is a firm commitment by the Arabs to make true, unlimited peace, only if there is an unequivocal undertaking to weave that net of relationships which alone can make war an ever more remote possibility, will there be a prize to tempt more and more Israelis into a readiness to veer away from the present official policy. Only if the majority of Israelis become firmly persuaded that their national survival, their very physical existence, is no longer at stake, that territorial concessions do not mean suicide, will they swing towards a more conciliatory policy.

As much as men of reason may regret it, the "Massada complex" is a real component of Israeli attitudes. It is a compound of an abysmal fear of extinction and boundless determination to defend survival. It can produce unpredictable survival. It can produce unpredictable results—unpredictable because Israel cannot be judged by standards applicable to other nations. It may be well for the U.S., the Soviet Union, and the Arabs to remember this.

INTRODUCTION OF H.R. 10290, TO
REAUTHORIZE THE BELLE
FOURCHE IRRIGATION PROJECT

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. ABDNOR. Mr. Speaker, I have today introduced legislation to authorize the modernization and improvement of the Belle Fourche project, which was originally authorized in 1903 and continues to supply water for irrigation to about 375 landowners.

This project not only provides the lifeblood of the operations of these family farms, but it is also vital to the economy of the area. Considering the state of the science of irrigation when the project was initiated, it has served its purpose surprisingly well.

The time has come, however, to update the project's facilities and operation based on current knowledge and technology. H.R. — has been drafted in consultation with the Belle Fourche Irrigation District Board and the Bureau of Reclamation and will provide the necessary authorization:

H.R. 10290

A bill to authorize modernization and improvement of the Belle Fourche project and to integrate the project into the Pick-Sloan Missouri Basin Program

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the general plan for the Belle Fourche project, South Dakota, heretofore authorized for construction by the Secretary of the Interior May 10, 1904, pursuant to the Reclamation Act of 1902 (32 Stat. 388), is modified to include construction, betterment of works, land rehabilitation, water conservation, recreation, fish and wildlife conservation and development, and silt control on the entire Belle Fourche project. As so modified, the general plan is reauthorized and under the designation "Belle Fourche Unit" of the Pick-Sloan Missouri Basin program.

SEC. 2. (a) The Secretary of the Interior is authorized to negotiate and execute an amendatory repayment contract with the Belle Fourche Irrigation District covering all lands of the existing Belle Fourche project.

(b) The period of repayment of the construction and rehabilitation and betterment costs allocated to irrigation and assigned to be repaid by the irrigation water users shall be not more than forty years from and including the year in which such amendatory repayment contract is executed.

(c) During the period required to complete the rehabilitation and betterment program and other water conservation works, the rates of charge to land classes and the acreage assessable in each land class in the unit shall continue to be as established in the November 29, 1949, repayment contract with the district, as subsequently amended and supplemented; thereafter, such rates of charge and assessable acreage shall be in accordance with the amortization capacity and classification of unit lands as determined by the Secretary.

SEC. 3(a). All miscellaneous net revenues of the Belle Fourche Unit shall accrue to the United States and shall be applied against irrigation costs not assigned to be repaid by irrigation water users.

(b) Construction and rehabilitation and betterment costs of the Belle Fourche Unit

allocated to irrigation and not assigned to be repaid by the irrigation water users nor returned from miscellaneous net revenues of the unit shall be returnable from net revenues of the Pick-Sloan Missouri Basin Program within fifty years from and including the year in which the amendatory contract authorized by this Act is executed.

SEC. 4. The limitation of lands held in beneficial ownership within the unit by any one owner, which are eligible to receive water from, through, or by means of project works, shall be three hundred twenty acres of class 1 land, three hundred sixty acres of class 2 land, four hundred twenty acres of class 3 land, or five hundred acres of class 4 land, except that the acreage of each class of land which is eligible to receive water may be adjusted by the Secretary if he determines such adjustments are warranted by changing economic conditions.

SEC. 5(a). The provision of lands, facilities, and project modifications which furnish recreation and fish and wildlife benefits in connection with the Belle Fourche Unit shall be in accordance with the Federal Water Project Recreation Act (79 Stat. 213), as amended.

(b) The interest rate used for purposes of computing interest during construction and interest on the unpaid balance of the capital cost allocated to interest bearing features shall be determined by the Secretary of the Treasury as of the beginning of the fiscal year in which construction of said interest bearing features is initiated, on the basis of the computed average interest rate payable by the Treasury upon its outstanding marketable public obligations, which are neither due nor callable for redemption for fifteen years from date of issue.

SEC. 6. Appropriations heretofore or hereafter made for carrying on the functions of the Bureau of Reclamation shall be available for credits, expenses, charges, and costs provided by or incurred under this Act. The Secretary is authorized to make such rules and regulations as are necessary to carry out the provisions of this Act.

SEC. 7. There is hereby authorized to be appropriated for the rehabilitation and betterment of the irrigation facilities of the Belle Fourche Unit and for recreation and fish and wildlife measures as authorized by this Act, the sum of \$26,000,000 (based on January 1977 prices), plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuations in construction cost indexes applicable to the types of construction involved herein.

At the request of my office, President Robert Donaldson of the irrigation district board has furnished the following comments in support of this legislation:

First, the Belle Fourche Project, over the years since construction, has lost considerable acreage to seep, which could be reclaimed by lining, pipe or other acceptable means under a reauthorization program. The Project at one time contained 81,870 acres and is now at 57,096 acres, a loss of 24,774 acres which are now in Class VI, thus if these were reclaimed, would increase the returns to farmers and in general the whole economy.

The project was one of the first two projects authorized for construction in 1903, and as such the many methods used in construction are so very different from construction practices of today; thus by using modern methods and practices, problems that have existed since the project works were constructed and completed would be corrected and eliminated. A great saving of operation and maintenance expense would ensue.

Many of the original main structures are in very poor condition and/or need modification to operate satisfactorily. The redesign and the replacement of such structures could be accomplished under the reauthorization program. It would be impossible for the Dis-

trict to replace these structures with District funds. Another thing that should be considered, is the enlargement of the Inlet Canal to take more water which would be a safety factor to peoples below the Diversion Dam.

One very important reason and probably the most important is the saving of our precious resource water, with the lining, realignment of canals and laterals, construction of new structures and new farm turn-outs with accurate measuring devices—water saving would be greatly increased. Farmers are now investing large sums of money in gated pipe which is contributing to water saving and efficiency which we feel shows the project farmers willingness to invest in water saving economies. The increased awareness of water conservation also contributes to a greater saving of our top soil. This would greatly increase the water delivery efficiency on the Project from the present 48 percent.

The time has come. The Belle Fourche project has many years of reliable service behind it, but enactment of this legislation will insure many more years of improved service to come.

I urge enactment of H.R. 10290.

EXPLOITATION OF THE WHITE
HOUSE

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. MICHEL. Mr. Speaker, the November/December issue of Nutrition Today reports on a curious happening at the White House. It seems that in April of this year an activist group calling itself the Center for Science in the Public Interest (CSPI) was able to use the taxpayer-supported facilities of the west wing of the White House in order to propagandize for its view. Midge Costanza, controversial presidential aide, engineered the permission for CSPI to use the tax-supported White House space.

All of this occurred on National Food Day. You say you never heard of National Food Day? If so, you are in good company for outside the small group consisting of CSPI, Midge Costanza and a few White House aides, few Americans have heard of such a day. Small wonder, since it was unilaterally declared by the enterprising head of CSPI who, following in the footsteps of Ralph Nader, seeks to impose his strange views on us all.

CSPI was granted permission to use the Roosevelt Room in the west wing of the White House for its "Food Day" spectacular, "Dinner at the White House." The dinner consisted of such goodies as peanut butter and banana sandwiches, skim milk, "crunchy nut-broccoli casserole," and other food granted the good CSPI seal of approval. The President, it is said, did not attend this feast, evidently believing that when you have seen one peanut butter sandwich you have seen them all.

In any event, television cameras dutifully covered the event, which was what CSPI wanted in the first place. A few historic firsts were made. This is the first time an operator of a fruit and pro-

duce stand joined with members of an Asiatic religious sect calling themselves "Golden Temple Conscious Cookery" to make a meal served in a working room of the White House. So much for history.

Was this a precedent-setting event? The White House declines to say. But if friends of Ms. Costanza can exploit the White House to gain publicity for their views, why can not anyone with a nutritional cause do the same? Would it not be discrimination of the most serious kind to deny the use of the East Room to the Metaphysical Kumquat Growers of New Jersey or the family dining room to a meeting of the Assorted Dates, Figs, Nuts and Other Americans United to Combat Cheeseburgers? If the Ancient Order of Hot Pastrami decides that in the national interest it needs the Rose Garden for publicity, will Ms. Costanza turn them down or offer them a cucumber?

If the White House insists on doing this, perhaps each new special interest group should be charged for the kind of exploitation Ms. Costanza granted to her friends for free. Since she has decreed that the White House is to be exploited, why not make it profitable for taxpayers as well as for those whose special interest is being served? In the meantime, it is my hope that the roast beef sandwich will not be ruled subversive by the Carter White House:

FOOD DAY AT THE WHITE HOUSE

(Note.—All sorts of events happen in, at, or just outside the White House in Washington. Now, at last, the structure has been used by one group to make a point, their point, about nutrition.)

A few years back, President Nixon gave a dinner at the White House to celebrate Washington's Birthday. To entertain his guests, he invited the cast of the successful musical 1776 to offer a few scenes from the show in the famous East Room. It was a delightful performance in which immortal words were sung to lilting tunes. When the entertainment was over, the president rose and thanked the cast. In so doing, he turned to the actress portraying Mrs. John Adams, who in 1800 was the first woman to occupy the new White House, and said, "You, Abigail, may hang your wash in this room any time you want to." Mr. Nixon knows his history. The real Mrs. Adams did dry her laundry on ropes stretched across the vast East Room of the presidential mansion.

In those early days of the White House, no one took much notice of the presidential wash, whom the president had to dinner, or the way the families of presidents used their home. Thomas Jefferson entertained his butcher at dinner. The earthy Andrew Jackson asked the folks in off the capital's muddy streets to eat and drink and celebrate his inauguration with him. Until transportation and communication helped the American people achieve a sense of national unity, the White House was indeed nothing more than the place where the president lived.

This is not true today. While the president and his family live there, upstairs, "over the store," as it were, the White House is now more of a museum and a national shrine than a home. This is the reason why, when a special interest group is allowed to use the shrine for a special event, as it was last spring, the happening takes on a certain distinction. The public assumes that such a group has been invited by the president and that the occasion is a symbolic endorsement of the group's principles and goals. That appears to have been what the Center for Sci-

ence in the Public Interest sought to achieve by having a "Dinner at the White House" on their Food Day last April 21.

C.S.P.I. is an activist group that "investigates and seeks solutions for consumer and environmental problems." Their main interest is in the safety and nutritional quality of the nation's food supply. They try to persuade the public that we all eat too much salt and meat and sugar. They claim that the food industry is slowly poisoning us with too many additives, and they call the present national diet "pathogenic."

The group was founded in 1970 or 1971 (the date seems unclear) by Michael Jacobson, an intelligent, imaginative young activist, who has a doctorate in microbiology from Harvard. On graduating, Jacobson, a New Yorker by birth, promptly moved to Washington and joined Ralph Nader and his consumerists' group. During what seemed to have been an internship, Jacobson spotted a hole in Nader's blanket over the whole consumer movement. As Jacobson saw it, Nader had overlooked the concerns Jacobson thought consumers should have about the food industry and the American diet. These concerns were ripe consumerist targets. Thereupon, having seen, as he once said, that "Ralph had a good thing going," Jacobson decided to set up shop for himself. At first, his Center for Science in the Public Interest, a catchy umbrella of a name, had a difficult time of it. However, in time, his organization slowly matured, just how much one can measure by the fact that he recently faced a full-fledged strike by his office workers. That's something of an indication of having arrived.

One of Jacobson's better ideas to attract attention to his center was to proclaim the observance of a "National Food Day." Days honoring our mothers, mothers-in-law, fathers, and the like are usually set by acts of Congress. A detail such as needing congressional approval to proclaim a national day is not the type of thing that would daunt Jacobson. Proclaim it now, get it approved later.

The first Food Day was announced by Jacobson in 1975. Since then, C.S.P.I. has been sending out posters deploring the national diet and excoriating the food industry, which is lambasted for processing our food and for putting out convenience foods. Naturally, food additives get a going over too. Consumer groups are urged to hold "teach-ins" and to have discussions and food fairs at which everyone can learn the error of their ways, start eating "right" (trans.: organic vegetarian foods), and resolve to fight industry, cattle-raisers, and other disciples of (according to C.S.P.I.) ill health.

Jacobson has learned his way around the nation's capital since he arrived some seven years ago. He is a close observer of Congress and the political scene. He has attracted the attention of several liberal members of Congress. During the last election, for example, he helped form a Food and Nutrition Task Force of the National Committee to Elect Jimmy Carter President. His man won, so Jacobson the activist is no longer an outsider in Washington. Like so many other young activists, he now has a direct line to high places. Along the Potomac, this means power or at least the appearance of influence. This may explain why he was able to persuade the White House staff to let the C.S.P.I. celebrate Food Day '77 with a dinner at the White House.

To most people, a "Dinner at the White House" conjures up visions of a formal affair, governed by the strictest protocol, attended at least by a king or queen, president or prime minister, the great and near-great. Included in the guest list might be bankers, movie stars, industrial moguls, and other "beautiful people." The meal served would be prepared under the careful guidance of

White House Chef Henry Haller and include exotic hors d'oeuvres, the best cuts of meat, vegetables bathed in creamy sauces, sugary desserts, choice wines, and other delectables.

There would be ceremony too. When the president and the first lady come downstairs, there is the sounding of trumpets and the grand entrance. At dinner, there's bright talk of matters of cosmic importance against background of soft music by a military ensemble, such as the Strolling Strings of the 33rd Tank Battalion (Heavy), playing, say the Minuet in G or a waltz from "Countess Maritza." It's a heady affair.

The C.S.P.I. meal was something else. They didn't say their dinner was to be such a gala affair. They didn't say it wasn't, either. Their press announcement merely said "Dinner at the White House." It was left to the reader to find out whether it was to be white tie and tails with champagne and trumpets in the East Room or a vegetarian buffet with apple juice and a Sony in a side office.

Instead of being in the handsome East Room, where Abigail Adams hung her laundry, Jacobson laid on his dinner in a conference room of the West Wing, which Theodore Roosevelt added in 1902 to get the president's business out of his home.

Also, the Jacobson gala had a quaint do-it-yourself aspect, something missing from dinners for visiting royalty. The White House chef didn't prepare the meal, for example. In fact, when Chef Haller was asked whether he had anything to do with the Jacobson party, he haughtily observed that he has the responsibility for the food served in the White House, not that eaten in the business offices. Unable to get resident help, the ever ingenious Dr. Jacobson sought out Mitchell Berliner, a 28-year-old Marylander who operates several produce stands in the Washington area, and appointed him "Chef for a Day." Since Berliner's reputation as a caterer of fruits and vegetables has spread among the health food set in Washington, he was a natural choice. However, the pressure of last minute arrangements for the big event overwhelmed Berliner, so he subcontracted out much of the preparation to a local health food restaurant, thereby unintentionally adding another twist to "Food Day at the White House." With Berliner's move, the food served in this most Baptist of all households in the nation was prepared by the bearded, turbaned men and saried women of the "Golden Temple Conscious Cookery." These disciples of a very different, Asiatic belief are about as far removed from Southern Baptist Christian doctrine as one can get. The Cookery of ephemeral name is run by devotees of Sikhism, a mixture of Hindu and Moslem religions, whose followers are the well-known and highly respected Sikhs. The Cookery, it seems, is a part of a health food restaurant chain that the Sikhs operate "throughout America," they say. But religion or no, Jacobson got another first: this is the first time that a meal prepared by an Asiatic religious sect has been served at the White House . . . even in the business offices.

White House historian, please note. Give credit where credit is due.

The fact that the way to the White House kitchen was barred didn't daunt the Food Day celebrants. They got a truck, picked up the dishes at the Golden Temple Conscious Cookery, and drove down to the mansion. There, Berliner laid it out as an attractive buffet. There was little protocol and no security check on the groceries. The president decided to eat upstairs.

He didn't even show up. For all we know, President Carter may learn what went on for the first time when he reads this account.

Robert Rodale, one of the invited guests, gives us a firsthand report. Writing in the July issue of Prevention magazine, of which he is editor and publisher, he said:

Right at six o'clock, when the event was scheduled to start, into the room streamed two dozen or so TV cameramen, light-holders, people with tape recorders and other assorted journalists. They zoomed in on that tableful of beautiful real food as if it were the strangest sight to have hit Washington since Chief Joseph of the Nez Perce Indian tribe came back East to talk peace. For five minutes, they photographed natural food from every angle, then turned their cameras on the people eating it, as if expecting them to collapse from a seizure of vegetarianism.

A young lady who said she was from Time magazine came up to me.

"How do you like this food?" she asked.

"It's good," I replied. "I eat this kind of food all the time."

With that, she looked up from her note pad to stare at my face, probably expecting to see some kind of natural food expression around my mouth. She didn't see anything unique about me, so she hurried away to ask the same question of someone else. The press was looking for strange reactions to what they considered an oddball meal.

Certainly, the menu was something different than reporters or anyone else might expect to find at the White House. It was all nuts, fruits, and vegetables. It included a selection of black-bean soup, raw vegetables, "crunchy" broccoli-nut casserole, whole wheat muffins, and other items from the "official" Food Day menu.

The guest list included Jacobson's fellow members of the Carter election committee, Agriculture Secretary Bergland and his Assistant Secretary, Carol T. Foreman, politicians Senator Mark Hatfield and Congressman Paul Rogers, and the luminaries among the Washington food activists. Nader wasn't there.

By all accounts everyone had a great time, savoring the vegetarian meal (Jacobson says it goes right along with what Senator McGovern thinks everyone should eat), sipping apple juice, and talking politely about nutrition. Speeches were made and the merits of health foods were extolled by all. After the dinner, a quick clean-up job by the guests (no hired help) was all that was needed to return the staff room to its natural state.

The C.S.P.I. was not charged for the use of the room nor were there any special requirements made of them, except that they were told not to bring too many guests, not to make a mess, and to be sure to clean up afterwards. All of which they did thoroughly.

The food that was left over was sold the next day on the streets of Georgetown.

In spite of its informality, the Food Day dinner did cause a little stir. When he heard about it, Wray Finney, president of the National Cattlemen's Association, sent President Carter a stinging telegram, calling the menu "bizarre" and asking about Carter's implied endorsement of vegetarianism.

Reminded of this episode, one White House spokesman said that the meal merely represented the Carter administration's firm dedication to nutritious eating. He denied that it represents presidential benediction of C.S.P.I. or a dedication to the idea that all Americans should become vegetarians.

Other questions put to the White House staff failed to reveal whether the president and his aides feel that they have set a precedent by letting this special interest group have a dinner in one of the White House offices. According to Margaret Costanza, the Presidential Assistant for Public Liaison and the one who engineered the permission for the C.S.P.I. to bathe its symbolic affair in the aura of the national shrine, this is the first time that an outside group has been let in.

In any event, the president's office doesn't seem to have decided what they'll do if other groups want the same permission to exploit the White House that Jacobson got. It is unclear what would happen if the Louisiana

Catfish Breeders League were to petition for permission to hold a fish fry in the East Room or if the National Livestock and Meat Board says it wants to throw a bull roast in the Rose Garden. The gates (or a side door, at least) have been opened. The possibilities of whom President and Mrs. Carter may one day find eating downstairs are indeed fascinating to contemplate.

Such high-powered possibilities aside, one thing is certain. Dr. Jacobson and the C.S.P.I. have set a precedent. They have made their point by exploiting this lovely building that occupies a unique place in American life. In a fireside chat, President Franklin Delano Roosevelt once said, "I never forget that I live in a house owned by all the American people and that I have been given their trust." Some of those who don't accept the radical ideas of the Center for Science in the Public Interest may wonder whether Mr. Carter shares F.D.R.'s ideas about the sanctity of the White House.

Even with the widely varied history of the White House, the way the C.S.P.I. used it is something new for this national shrine.

IWY—A GOVERNMENT DOLE OF RIGHTS AND FUNDS

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. HANSEN. Mr. Speaker, syndicated columnist, Michael Novak in Sunday's December 18, 1977, Washington Star vented some pent-up feelings on the recent Houston IWY fiasco which says it all so well that I wish to share the article with my colleagues and the people of the Nation through the dignity of the RECORD:

HOW SOMETHING USEFUL COULD HAVE GONE ON IN HOUSTON

Believe me, I have been trying to avoid writing on the government-subsidized meeting of 2,000 women in Houston. Right-to-Life groups have brought 20 times this many women to Washington for two days (and they paid their own way), but the media did not notice. Let the subject of a meeting be a cause the elite classes in this nation cherish with their hearts and the cameras will grind on and on. It's a national disgrace.

Five million dollars yet. Two thousand women in the pay of Daddy Government did not even invite a single leader of their opposition to speak; ran a disciplined meeting that put Richard Nixon's second nominating convention to shame; pulverized their internal opposition;—and boasted to the world how liberal they are, how moral, and how beautiful.

Across town, five times as many women, not subsidized by the government, represented the counterculture. Almost unnoticed.

What is most curious about the elite conference in Houston is the dependence on government the new women insist upon. They say they are liberated. They say they are independent. But they want the federal government to pay for their meetings; to pay them \$50 a day just to come; to pay for their child care; and to pay for abortions. Where would a modern woman be without Daddy?

Indeed, the real political meeting of the Equal Rights Amendment is not the symbolic emotional reinforcement it will give to those who desire redundant notice. The

real political meaning is the interference it will warrant in state and local affairs by federal agencies.

Daddy is highly arbitrary, he has a temper, and he owns lots and lots of power and money. Nobody knows what Daddy will do with ERA. But those who love Daddy want him to show off in front of the others.

There are a number of urgent practical questions that a women's congress could have looked into:

Thousands of American couples want babies: There are today far more "wanting" mothers and fathers than "unwanted" children. The thriving black market in babies is a scandal upon the women of this generation. In New York, the list of black parents who desire to adopt children is longer than the list of black babies up for adoption. Could not the woman's movement encourage some abortion prone who would so choose, to bear at least some babies for adoption? Many are "wanted" by loving parents.

Abortions are outrageously high priced. Conditions in some abortion mills are a scandal. Could not the women's movement see to it that the price is brought down (rather than ask Daddy to subsidize inflated prices)? Could not women protest against "windfall profits" in abortions? Must this grisly business be so shabbily conducted? It is, of course, as Time Magazine pointed out, something of a scandal for this generation of women that its liberty should be won through the death of the living. Could not the movement at least have the guts to depict honestly what happens in an abortion, and what it is like, instead of using surgical euphemisms?

The sexual aggressiveness of men constitutes a major difference between the sexes. As Bella Abzug said in Houston, she never saw a hotel full of women send out for call boys. What sort of social sexual code for men ought this society to develop now? Young women are under tremendous and unfair pressures. Our sexual mores are generating millions of personal disasters, whose effects will be felt in our children and our children's children for generations: fickleness, inconsistency, betrayal, infidelity, abandonment. Sexual confusion in our society is enormous. To those recently "liberated" from a stricter ethic, the sheer excitement of libertinism is blinding. But the jading will soon become hard to bear. Have liberated women nothing to say about sexual morals, except that lesbianism is a "sexual preference"?

Lesbians at Houston said, with pride, "we are all around you." Of course they are. In an age of sexual confusion, we may expect their numbers to increase. But the self-hatred involved in looking to the Narcissus-mirror of one's own sex will also, in time, deepen and grow. The fullness of human development lies in learning from the opposite sex. Of course, women from time immemorial have been known for being compassionate and forgiving; we did not really expect Houston to speak a word of judgment upon lesbianism. But to have said nothing at all about a public sexual morality in which women and men can find moral integrity and common understanding is a very bad omen.

Estimates for the costs of the child care desired by Houston—subsidized by Daddy—run to \$25 billion a year. Are there to be no rewards from feminism, for those women who give their full time to their children, at least in the first three years of life? Is that choice, that precious service, to be treated with disdain—to be ignored? What shocking indifference to the priceless gift so many millions of women have given to their children.

Believe me, I tried not to write about Houston.

**ST. NICK SELLS OUT! WILL
UNCLE SAM?**

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. GAYDOS. Mr. Speaker, I hope my colleagues had the opportunity to read a recent article by the noted columnist, Art Buchwald, entitled "St. Nick Sells Out."

The piece, which appeared in the December 12 issue of the Daily News in McKeesport, Pa., when read in conjunction with another article appearing about the same time carried a Christmas message I found disturbing.

According to Mr. Buchwald, Santa, struggling against rising operating costs and diminishing capital—something familiar to our industries today—finally was forced to sell his North Pole toymaking operations to a conglomerate.

Despite promises that Santa could continue "business as usual," the new owners were profit minded and profit motivated. They forced Santa to shift his production facilities to an area where the bottom line was written in black, not red, ink. Furthermore, he was instructed to ship his toys 'round the world via a parcel post service—one, incidentally owned by the conglomerate.

This left the world's greatest toymakers, Santa's elves—who have never been profit motivated—and the world's most efficient mode of transportation, his reindeer, out in the cold. They had lost their jobs to foreign ownership of the business. And, although Mr. Buchwald does not mention it, I am certain there was no CETA program available to retrain them for other employment.

I was struck by Mr. Buchwald's article for I have long harbored a deep concern about international conglomerates buying up long established facilities in the United States. The prospect that someday these foreign owners might close up shop here and transfer the operation elsewhere with little or no regard for the American worker is a haunting one.

In fact, I introduced legislation a few years ago designed to prevent just such a possibility. The bill would have imposed reasonable controls on the ever-increasing foreign ownership of American industries and businesses. Unfortunately, like the import warnings of a decade ago, the bill attracted few cosponsors and lies aging in committee.

Be that as it may, Mr. Buchwald's column in the Daily News took on even greater significance when I came across a one paragraph item in the December 5 issue of Industry Week magazine.

That item sent tremors through me. It stated Japan, in its desire to reduce its tremendous trade imbalance with the United States—amounting to something between \$7 and \$8 billion—would "probably" reduce import duties on color film, computers, and automobiles before next spring. The idea was to make American goods more price competitive in Japan.

But, the last sentence in that one paragraph item attributed to a Mr. Yoshizo

Ikeda, president of Mitsui & Co., Ltd., the idea that a better way to trim the imbalance in trade would be greater Japanese direct investment in the United States.

Mr. Speaker, after reading the two articles mentioned I could not help but wonder if Mr. Ikeda, after perhaps taking over an American plant, might not find it more profitable to shift the facility elsewhere, leaving the American worker in the same fix as Santa's elves.

If St. Nick could be forced to sell out, why not Uncle Sam? Sometimes, I fear, he is headed in that direction.

HERS

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. MAZZOLI. Mr. Speaker, I commend the attention of my colleagues the following New York Times article of December 1, 1977, by Susan Jacoby. It deals with the recent court ruling exonerating a woman—by reason of insanity—for having killed her sleeping husband.

That court ruling disturbed me a great deal. It disturbed Ms. Jacoby, too. Her article is well worth a careful reading.

The article follows:

HERS

(By Susan Jacoby)

A new feminist heroine has arisen in the person of Francine Hughes, a 30-year-old woman who put an end to her husband's brutal beatings by pouring gasoline around his bed and setting him aflame while he slept. A jury of 10 women and two men in Lansing, Mich., recently found Mrs. Hughes not guilty of murder by reason of temporary insanity.

What disturbs me is not the acquittal itself—who could want further punishment for a woman who had endured a man's punishing assaults for 13 years?—but the fact that the case has become a feminist cause célèbre. Feminists who rallied to the support of Mrs. Hughes saw the issue as one of a woman's right to self-defense and the acquittal as a warning to millions of men who beat up their wives and children each year.

The brother of the slain man, interestingly, drew much the same conclusion from the jury's decision as the feminists did; the only difference was that he viewed the implications with dismay rather than enthusiasm. In a television interview, he said, "I think this decision will give a lot of violent women an excuse to go out and commit violent acts... to take their revenge." I was watching the news with a friend who observed that "if revenge is what it takes for a woman to be in control of a situation like that, then I'm for it."

How, I asked my friend, can one possibly use the word "control" to describe the act of a woman so desperate, so driven, in such a state of psychic bondage that she could free herself from a brutal man only by killing him while he slept. It seems to me that the attitude of many feminists toward the Hughes case violates the basic feminist belief that women can and should take control of their own lives.

Those who maintain that Mrs. Hughes had a moral (as opposed to a legal) right to do what she did are suggesting that a woman who would not be victimized must turn mur-

derous. As anyone who has studied the history of master-slave relations knows, the master's fear of violent retaliation has always coexisted with his assumption of the slave's passivity. But women are not slaves—or, they do not have to be slaves.

Mrs. Hughes, like most women who endure long-term physical abuse from men, had assumed a number of psychological characteristics more commonly associated with slaves than with free human beings. The details of the case, most of which were omitted from national news accounts of the trial, are enlightening.

Newspaper articles generally referred to the dead man as Mrs. Hughes's husband. He was, in fact, her former husband; she had divorced him in 1971 after seven years of marriage and four children. But it is perfectly reasonable to use the term "husband," because Mrs. Hughes continued to relate to him as a husband after the divorce. It was clear from her testimony that she remained bound to him emotionally, on many occasions sexually and always as a victim and target for abuse.

But Mrs. Hughes did not play the role of the total victim. She was taking courses at a local business college because she wanted to support her children and get off welfare. On the day of his death, Mr. Hughes not only had beaten his wife several times but had forced her to burn her business-school textbooks in the backyard.

Francine Hughes was living in the same house with her former husband because she had agreed to nurse him back to health after a serious automobile accident. He had of course, made a good enough recovery from his injuries to beat her up many times in gratitude for her care. This situation offers a classic and extreme example of the psychological victimization that characterizes battered wives. It is impossible to imagine a man returning with concern to the bedside of a wife who had systematically subjected him to physical torture.

The drama of the Hughes case aroused extraordinary interest in Lansing, which is my hometown. I discussed the case with several women friends there and found their reactions fell into two distinct categories. Some maintained that Francine Hughes was driven mad by years of humiliation and simply did not know what she was doing. Others said they were sure she did know what she was doing and that she "finally gave the creep what he deserved."

I do not think either of these reactions bodes well for the cause of women's rights. If we say Mrs. Hughes was crazy, we are equating self-assertion with insane violence. If we say she was sane and did the right thing, we are ruling out all the rational means of self-defense that lie between victimization and murder.

There are other choices. A battered wife can leave her husband. She can testify against him in court. She can become economically and emotionally self-sufficient and never go near the bum again. Or, in some cases, she can force the man to get the kind of help that might make it possible for him to change. (It does happen from time to time.)

These are not easy choices. Many areas of the country (Lansing and much of greater New York included) have no shelters to provide wives with temporary protection while they figure out how to cope with a brutal husband. Many policemen and law-enforcement agencies are unsympathetic. In a recent ABC-TV movie on battered wives, an indifferent policeman says, "A good punchin' round is what some of these women need to turn 'em on."

But the attitudes that have long enabled men to get away with wife beating are changing: The Hughes case is evidence of that. If a jury was willing to acquit a wife who set fire to a sleeping man, it would surely have

listened with sympathy to the testimony of a woman who wanted to protect herself from the assaults of a living husband.

Battered wives today are in much the same situation as rape victims were 10 years ago. The possibility for positive change exists, but it cannot become a reality unless women are willing to appear in court, to put their bruised bodies and minds on the line for essential changes in the law and in social services.

My reservations about the Hughes case are similar to the ones I held when Inez Garcia was tried in 1974 for the shooting of a man 20 minutes after an alleged rape. Mrs. Garcia's lawyer insisted at the trial that an "unwritten law" allows a woman "to take the law into her own hands to protect her integrity."

Unwritten laws used to allow men to kill their wives if they found them in bed with a lover. Unwritten laws required rape victims to defend their past sexual conduct. Unwritten laws intimidated wives into silence when their husbands beat them.

Feminists who advocate a woman's right to "self-defense" against a sleeping man—however brutal the man may have been—are really talking about the substitution of one unwritten law for another. What Francine Hughes and all of us need is a written law to protect us and the guts to use it.

H.R. 10154

HON. JIM GUY TUCKER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. TUCKER. Mr. Speaker, on November 29 I introduced a bill, H.R. 10154, in response to a bizarre set of circumstances which have plagued health institutions, primarily in rural areas for over a year now.

In Arkansas, as in many other States, rural communities have found that oftentimes the combination of hospitals and nursing homes into joint operations is a more efficient means of achieving health care delivery. Through these combinations, the cost of services essential to both units like kitchen, laundry, and parking services are shared. Consequently, a duplication of effort and therefore, of cost to each unit is avoided.

In many of these combinations, the hospital only is qualified for medicare benefits. This means an allocation of costs between the two units for the shared services becomes necessary to determine the proper amount of medicare reimbursement to the hospital.

However, in 1975, the Bureau of Health Insurance reopened the cost reports the health care facilities had submitted in previous years and concluded that some hospital units had assumed a disproportionate share of the costs of shared services. The Bureau, accordingly, alleged overpayment of medicare benefits to these hospitals and demanded reimbursements for the appropriate amounts. The means of collecting these reimbursements has been particularly burdensome to the hospitals involved. The Bureau has withheld a percentage of the alleged overpayment from these current medicare benefits.

What has especially incensed the

boards and administrators of these hospitals in Arkansas is that throughout the period of the alleged overpayment the Bureau's financial agent in the State—Blue Cross/Blue Shield—had routinely audited the cost allocations of these hospital/nursing home combinations and given no indication that anything was amiss or that any other formula for allocation was required. Indeed, in some instances the medicare officials issued approvals of the cost allocations. Thus, acting in good faith under the guidance of the Bureau's financial agent and with its implicit approval, the combinations continued to follow the same accounting procedures for cost allocation. Now these hospitals are being penalized for what I consider to be a reasonable reliance on the representations of the Bureau's agent.

If these hospitals cannot rely on the Federal Government's financial agent to interpret correctly its snarled and convoluted regulations, how can they be expected to divine the intent of the rules on their own? The obvious answer is that they should not be expected to do so or to be held accountable under these circumstances for not complying with one interpretation of admittedly confused and, at best, unclear guidelines.

One additional point needs to be emphasized. The Bureau of Health Insurance does not suggest that any of these hospital/nursing home combinations engaged in fraud or wrongdoing in making their cost allocations.

Over 20 hospitals in Arkansas now face the possibility of substantial medicare reimbursement deductions totaling \$542,000. Understandably, in some cases these reductions could be devastating to their operations. For example, in one case which I am specifically familiar with, a deficiency alleged against the Huntsville Memorial Hospital located in Huntsville, Ark., totaled as much as \$96,000. The upshot of all this could well be that vitally needed health care facilities in the rural areas of my State and other States will be forced to close. No one, of course, wants that, especially in light of the fact that these facilities are so desperately needed in the less populated areas of our country. The fact that the Federal Government would be responsible for closing down health care facilities makes the situation doubly ludicrous.

These hospitals, in short, should not be financially hamstrung by their good faith reliance on the interpretation of medicare regulations by medicare's own financial agent in the State. One hospital owner summed it up cogently:

In 1973, Blue Cross came here and audited us and gave a clean bill of health. Now, they're coming back and changing the rules on us and telling us we owe them \$90,000, which they're now disallowing in current medicare payments. It's grossly unfair.

My bill, accordingly, provides that where incorrect payments to hospitals have been certified as correct by an agent or intermediary of the Bureau of Health Insurance through a lawful audit and where the provider of services has been acting in good faith, retroactive reimbursements will not be appropriate.

AUGUSTA LARSON—TRIBUTE TO
A GRAND ARIZONA WOMAN

HON. ELDON RUDD

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. RUDD. Mr. Speaker, one of the truly great aspects of public service that I have experienced as Congressman for Arizona's Fourth Congressional District is the friendship, support, and counsel of many outstanding citizens in the various communities that I represent.

One such outstanding citizen leader is Augusta Treat Larson of Lakeside, a remarkable lady who has been particularly devoted to a lifetime of civic endeavors and good works. It gave me great pleasure to read a good tribute to her life as mother, churchwoman, pioneer, teacher, and State legislator in the November 29 issue of the Pinetop-Lakeside News.

Mr. Speaker, our country is great because we have been blessed with exemplary people like Augusta Larson. Arizona is today a State with a high quality lifestyle because of people like her who have combined noble ideals with good sense and pride in excellence.

We owe a debt of gratitude for this heritage, and for this reminder of what has made our way of life the envy and benefactor of much of the world. I am pleased to include this worthy tribute to Augusta Larson, a grand Arizona woman, at this point in the RECORD:

THE LIFE STORY OF A GRAND ARIZONA WOMAN
(By Paula E. Champagne)

"I had many privileges as a girl, including music lessons, and horseback riding. I became a spoiled social butterfly and then I had to become a pioneer."

These surprising words were spoken by Augusta T. Larson, vibrant and more youthful appearing than her eighty-five years, as she began to reveal her exciting, challenging, decidedly remarkable life story.

Augusta Treat Larson was born February 6, 1893 in Flagstaff, Arizona to Clara Lamport Treat and Joseph R. Treat, who was mill superintendent for the Arizona Lumber and Timber Company.

Joseph Treat was a native of Nova Scotia and moved to Flagstaff in 1880. He became mayor of the town.

When Augusta was two and a half, she entered kindergarten. She attended the first grade at six years. She began a musical career which would span sixty years, when she began her first piano lessons at age seven. She finished the eighth grade at twelve years of age.

She entered the secondary school program at the Territorial Normal School at Flagstaff, upon being graduated from the eighth grade.

Augusta attended the Normal School at Tempe for two years, then returned to Flagstaff to complete her teacher's training.

She continued her musical education at The Arizona School of Music at Phoenix, while she was living in the Salt River Valley.

Her father wanted her to study for the concert stage in New York City, but her mind was set on teaching. She began teaching at eighteen, in Holbrook, and was to teach for the next forty years, mainly in Navajo County. She received a life diploma for teaching in 1912.

Wallace H. Larson, a telegrapher for the Santa Fe Railroad, became her husband

when they married at the end of the school year.

Larson served one term as Navajo County Recorder, then he and his wife began a new venture: they began raising Hereford cattle on barren range land north of Holbrook.

They spent all their money on a windmill and well, so they had to live in tents which blew away one day in a windstorm.

Augusta—"Gussie," as she has been affectionately called throughout her life—recalls chasing frantically after precious baby clothes and other articles of wearing apparel.

They moved to Corduroy Canyon, on the Apache Indian Reservation, in 1915, to continue raising cattle.

Her husband drove a freight wagon loaded with household goods behind a team of Percheron horses. She could not keep herself and the baby from rolling on the seat of the big wagon because she could not reach the support against which she might brace her feet; therefore, she rode horseback all the way from Holbrook, holding the baby in her arms.

This remarkable woman taught school in Lakeside and vicinity during the winters and lived in a tent on the Reservation in the summers, making butter and cheese and riding with the cattle.

Three more children were born to the Larsons during their first six years on the reservation. They were: Jeanne (Mrs. J. Donal Earl); Rolf, long-time FBI agent; and Jeff, who heads the Mathematics Department at Arcadia High School, Scottsdale. Corwin was killed in 1944 during the Marine invasion of Guam.

Augusta and Wallace, in 1920, operated a grain and feed business, a farm equipment store, a grocery and dry goods store and they had ranching operations.

The Larsons faced disaster when the Blackleg epidemic destroyed their cattle, ruining them financially in a matter of days and the depression of 1921 closed the business operations. The couple was left \$20,000 in debt. A partner declared bankruptcy but the Larsons, indomitable, held on. They eventually paid off every obligation.

Wallace Larson, determined and persistent, earned his high school diploma at 34 and his AB degree in 1938, at Arizona State Teachers' College at Flagstaff.

Gussie, two years later, earned her AB degree at the same college.

A member of the Larson family, during that period, earned a college degree in each of five successive years.

Wallace served as superintendent of the combined elementary and high school at Lakeside, for twenty-five years. He also served during that period as secretary and manager of the Lakeside Water Works and was on the first Board of Directors of the Navopache Electric Corporation.

He retired in 1952, was elected to the Arizona legislature and died of a heart attack in 1952.

Augusta had moved to Phoenix with her husband, spent long hours in the gallery of the House of Representatives and studied pending legislation.

The Navajo County Board of Supervisors appointed her to complete her husband's expired term. She was elected, that fall, to the first of four terms, a Republican elected by an admiring body of voters who were Democrats, by a 3-to-1 margin.

She fought for better education in the rural areas. She was known as an impressive and dedicated lawmaker.

Her constituents, who were of the Hopi, Navajo and Apache tribes, received her help. She went to bat for them when the issue was a school recodification bill. Mrs. Larson noticed provisions in the bill which she felt

would halt development of schools on Indian reservations.

Fellow House members who had great respect and much affection for Mrs. Larson rallied around her and supported one of her amendments which put Indians back under the state's educational "blanket".

Senator Harold C. Giss, considered "unquestionably the most powerful man in the legislature," rebelled and a Senate-House conference committee knocked out Mrs. Larson's amendment. She took the floor, led a drive to refuse the conference report and the bill apparently was dead.

The Senate asked for another conference committee. Mrs. Larson declined to serve as a House representative. She felt no obligation to be party to concessions or even negotiations. The second committee reinstated her amendment, both houses adopted it and the bill was passed.

It is perhaps not surprising that Augusta Larson believes in the old-fashioned virtues and values. Her beliefs, however, are based upon her experiences.

"Being a woman in the Legislature gave me an advantage. I was respected and given favoritism.

"How a woman is treated depends largely upon her, the individual."

How a woman conducts herself in a high position is important, Mrs. Larson believes.

"Some of the women who have served in the Legislature have been obnoxious, crude, unfeminine."

It is not surprising, she thinks, that such women have been disliked.

"I am not for the Equal Rights Amendment. I think it tears down the family structure. I do believe that if a woman does the same work a man does, she should be paid the same wage.

"Most women are created with a desire to be wives and mothers. I may be too opinionated; I think that if a woman doesn't want to be a family woman, that's her business. There is, however, a proper way in which such a woman conducts herself. Women set the moral standards.

"I see a difference in this country, even from twenty years ago. Morals have changed, young people take dope, parents seem to have let down on their discipline."

Augusta Larson was president of the National Order of Women Legislators.

The Business and Professional Woman's Clubs of Arizona honored her in 1959, as "Arizona's Woman of the Year."

She has been a leader and worker in the Latter Day Saints Church. She was choir director of the Lakeside Ward for twenty-five years, and was Chairman of Finance for the Ward's \$165,000 building campaign.

Her citation as Woman of the Year hailed her as a woman "who can supervise a community program; sing in, direct or accompany a choir, cook a tasty dinner for a dozen unexpected guests, boss a gang of Apache Indians on her ranch, drive a jeep through snow or brush to show real estate, milk a cow or brand a calf, teach children or adults and through all of this, maintain her dignity as a lady."

The Larson Memorial Library was initiated by Polly Rosenbaum, using the Wallace H. Larson Memorial Fund which materialized in 1954. The library opened in 1955 on Forest Service property which later became Blue Ridge High School property.

The Blue Ridge School Board has recently approved a request from the Larson Memorial Library Board to expand the library facilities on the Blue Ridge campus. Construction may not begin for another year; the Larson Library Board must begin a fund-raising campaign to finance the expansion.

THE SOCIAL PERFORMANCE INDEX

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. MICHEL. Mr. Speaker, a few weeks ago I had some unkind words to say about a proposal of the Commerce Department. It seems that Secretary Juanita Kreps suggested in a speech that the Commerce Department create something called a "Social Performance Index." This index would, in effect, be kind of a Federal report card which would show that business and industry have done and not done in social areas. I said at that time that this index would inevitably become a kind of public pillory, where those found guilty by the Commerce Department bureaucrats would be forced to stand and be criticized for social performance failures such as pollution and failure to abide by the quota system.

Well, I later learned that the Commerce Department had not yet created its plan for this index and I looked forward to seeing just what they would come up with. Mr. John Lofton, the nationally-syndicated columnist has looked into this question. What he found was not inspiring. I would like to now place in the RECORD Mr. Lofton's findings which he relates in his own inimitable manner. At this time I insert in the RECORD the article "Secretary Kreps and Red Tape: Is She For It Or Against It?" by John Lofton:

SECRETARY KREPS AND RED TAPE: IS SHE FOR IT, OR AGAINST IT?

(By John D. Lofton Jr.)

WASHINGTON.—A couple of speeches by Commerce Secretary Juanita Kreps within less than a week—one attacking governmental red tape, the other proposing more of the same—illustrate perfectly why the business community is so uncertain about the Carter administration.

On October 14, in a talk to the Business Council in Hot Springs, Va., Secretary Kreps strongly criticized what she called "regulatory excess" and its symptoms: "redundancy, confusion, anachronism, lost time and waste." Listing a series of examples, Mrs. Kreps observed:

"We have become victims of regulatory fallout. You know the inanities even better than I... The litany of regulatory absurdities is long and continues to grow. Last year alone, the Federal Register published 60,000 pages of proposed rules, regulations and other documents. The businessman wishing to find out which, if any, applied to him would have to read through the equivalent of 120 District of Columbia phone books, most of it in comprehension-defying legalese." Secretary Kreps blamed this mess, in part, on what she called the "bureaucratic cast of mind."

Fine. These are the kinds of remarks which every businessman in America will greet with a rousing "Right on!" But now comes another address by Secretary Kreps, on October 19, to The Chief Executive Officers Conference at Duke University in Durham, N.C. And what does Mrs. Kreps have to say in this talk? Incredibly, she proposes

more of the "regulatory excess" which only five days earlier she had been denouncing so vehemently.

Announcing her department's intention to develop a so-called "Social Performance Index," which she says will "give business a way of appraising the social effects of its business operations," Secretary Kreps says:

"Businesses can use this index, for example, to provide data on environmental controls, affirmative action, minority purchasing, consumer complaint resolution, and product testing. The department will then compile the data and publish it in order to make it widely available to the public and the press."

Explaining that this index would allow those companies who are leaders in promoting "the public interest" to bring about an improvement in the behavior of the "less progressive firms," Mrs. Kreps brandishing the club of Big Government coercion, warns: "For the latter companies not to join the former is, I fear, to continue to invite governmental regulation of both."

Well, now. Just exactly how will this index work? Nobody really knows the answer to this question yet. The Commerce Dept. has let a \$100,000 contract to a Philadelphia firm to study the idea and come up with a proposal. But, in an interview, Stuart Heller, an attorney-advisor to the department's general counsel, responded to some questions.

First, he says, the program will be "voluntary." However, he admits that Secretary Kreps' mention of possible future governmental regulation is indeed a threat. But, he says, Mrs. Kreps hopes this is something that doesn't happen. Sure.

Secondly, when I ask Mr. Stuart how much additional cost and paperwork there will be for those companies who choose to supply the requested information for the index, he says he doesn't know that this is now being studied. Conceding that it is "going to be hard" to lump all this data into one index—sort of "like apples and oranges"—he says maybe there will be "separate sub-categories."

Like what? Well, perhaps something like "the ratio of black employees compared to the percentage of blacks in the community at large."

Mr. Stuart guesses that the businesses that want to contribute to the compilation of the index will be asked to fill out a "work sheet, like the income tax form perhaps, with an explanatory booklet." He says he imagines that the procedure, which should be spelled out early next year, "may be a complicated process."

When I ask Mr. Stuart why his department can't just compile the information it's interested in from the other federal departments and agencies where it is undoubtedly already on file, he says this can't be done because Commerce wants data not asked for previously. When I say he must be kidding, that there isn't any business information that Uncle Sam hasn't already requested several times over, he just laughs.

But, this is no laughing matter. The Social Performance Index idea is ridiculous. It is more of the feathers of that federal duck presently nibbling business to death. As Eugene Hardy, a senior vice president of the National Association of Manufacturers, put it to me in an interview:

"Business and industry, while sensitive to the advancement of social goals in their communities and the nation, can best carry out their corporate responsibilities by creating good products and services and jobs and contributing to a robust and expanding economy, higher living standards and an improved quality of life."

Any attempt on the part of the federal government, says Hardy, to rate American business on the basis of some other arbitrary

yardstick would be "misleading, confusing and counterproductive."

Hmmmm. Very interesting and wise remarks. But Secretary Kreps could have said it better herself. In fact, she did in her first talk to the Business Council.

THE FEZ, THE SCIMITAR AND 100 YEARS

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. GAYDOS. Mr. Speaker, this year, 1977, was momentous for one of the oldest temples in the Ancient Arabic Order of the Nobles of the Mystic Shrine. It marked the end of the first century of service for Syria Temple of Pittsburgh, Pa.

Under the leadership of Potentate Fred T. Hiller of White Oak, Syria Temple, one of the greatest in all of Shrinedom, attained new pinnacles of achievement. It enriched an already illustrious history of the Temple that began in May 1877.

It would be impossible for any mortal to list the acts of kindness and charity performed by the Shriners of Syria over the past 100 years. Shriners are devoted to helping others and their individual deeds are as grains of sand in a desert of need.

But, there is one particular love shared by all who wear the fez and the scimitar—the love for the crippled children of the world. This year alone, Syria's members contributed \$200,000 to hospitals maintained by the Shrine for the care and treatment of such children.

These funds result from direct contributions, from membership in the Temple's "\$100 Million Dollar Club" and from the annual Shrine Circus, which brings laughter and joy to the faces and hearts of more fortunate youngsters while providing money for research to help the less fortunate.

Although most of Syria Temple's activities and endeavors take place within the halls of its magnificent mosque, its numerous units are a familiar sight to residents of the Pittsburgh area. No parade, for example, would be complete without the appearance of one or more of the following:

The colorful Arab Patron, the proud Horse Patrol, the stirring sight and sound of the Highlanders' pipes and drums, the songs of the Chanters, the antics of the Harige, the music of the Oriental Band or the marching of the Legion of Honor.

Membership in Syria Temple is high prized. This year approximately 1,000 new Shriners were initiated, bringing the membership to 25,600—second only to Al Malaikah of Los Angeles Calif., in North America.

The success of Syria Temple in this year of its first century is largely due to the efforts of Potentate Hiller and his Divan; Norwood A. McDaniel, chief rabban; William Kammerer, Sr., assistant rabban; Lloyd L. Kildoo, high priest, and prophet; Theodore G. Daniels,

oriental guide; Henry C. Givan, P.P. and treasurer; James A. Wieland, recorder and John G. Stephens and Jack L. Weaver, ceremonial masters.

Mr. Speaker, on behalf of the Congress of the United States I extend to the Shriners of Syria our sincere congratulations on the occasion of their Temple's 100th anniversary and wish them well as they begin their second hundred years.

ELECTRONIC FUNDS TRANSFER A CASHLESS SOCIETY

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. PEPPER. Mr. Speaker, there was a time, and not so many years ago, when cash was king, and king was cash. It was the preferred way to do business. Credit was given with caution, and sparingly. Nothing was more common than a placard in a mom and pop filling station that read:

You ask for credit?
I no give.
You mad.
I give.
I mad.
Better you be mad!

But all of that has changed. Oil companies, retailers, and banks are eager to issue credit cards. Any hesitancy that consumers might have felt was quickly overcome. Today there are 50 million credit cards of all kinds in consumer hands. Credit cards finance \$80 billion of consumer spending annually. Credit has supplanted cash as the preferred way for millions of consumers to make their purchases.

Even those who do not want or need credit find themselves at the credit card counter. The reason is obvious. Have you ever tried to cash a check without producing at least two credit cards for identification?

This dependence on credit cards was quietly brought about by the power centers of the credit card industry. FRANK ANNUNZIO, chairman of the Consumer Affairs Subcommittee of the House Committee on Banking, Finance, and Urban Affairs, says that there is more to come, and assesses current trends in the credit card industry this way:

Now that we are hooked on credit cards suddenly the rules of the game are changed. New fees are added, new billing methods adopted, and the so-called free grace period on repayment is either eliminated or greatly reduced. It is a classic game of spider and the fly.

Not only are bank checks being nudged out by credit cards, but now we are told that the ascendancy of a new method of banking called "electronic funds transfer" may signal the end of the bank check. Electronic funds transfer would replace the bank check with a magnetically coded plastic debit card which could be keyed into an electronic terminal which would instantaneously withdraw

and transfer funds from a customers bank account.

Retirees, and those approaching retirement, have already voiced some dismay at doing business with a computer. At a point in life when personal contacts are valued, banking through computers might simply add to incipient feelings of isolation. Other criticisms of EFT revolve around elimination of float—time between delivery and collection of a check—unavailability of a stop-payment mechanism, and unlimited liability for unauthorized use of an EFT debt card. A bill (H.R. 8753) introduced by FRANK ANNUNIZIO would correct many of these deficiencies.

More disturbing than any inherent weaknesses in EFT is a conclusion reached by the national accounting firm of Peat, Marwick, and Mitchell and Co. in a study sponsored by the National Commission on electronic fund transfers that the public may be forced to accept EFT because merchants and bankers who are determined to see it adopted may make conventional banking too costly by surcharging checks or increasing bank charges. A parallel might be found in the way the consumer has been forced to accept the credit card as the preferred method of transacting business.

Already rumbles are being heard from those who have been let down by the wizardry of electronic circuitry. Bill Bowden of Cairo, Mo., signed up for instantaneous transfer of his retirement benefit expecting that his bank account would be electronically credited on September 1. On September 19 he was still waiting for the computer to disgorge.

Many of America's 22 million older people live on tight budgets. About 13 percent have incomes that fall below the threshold of poverty. Undoubtedly many of them would prefer the security of more easily understood and traditional methods of banking. Provisions embodied in a bill (H.R. 8753) introduced by Mr. ANNUNIZIO are calculated to protect the consumer against potential pitfalls in EFT, and to hold open the option of using traditional banking methods.

Much more could be said, and should be said about the pros and cons of EFT, and Charles Merin has said it all in the following article, "The Cashless Society Is Coming . . .", that appeared in the September issue of "Retirement Life" magazine:

THE CASHLESS SOCIETY IS COMING

(By Charles Merin)

For the last 10 years, the wizards of technology have been dazzling our imagination with dreams of EFT which is shorthand for electronic funds transfer.

Their talk of a nationwide system of EFT which would revolutionize the way we conduct our financial affairs has encountered unexpected resistance, however.

EFT was supposed to make our present cash and check society obsolete but consumers are offering unexpected objections and there is also widespread dissatisfaction within the banking industry itself.

The public, caught in the middle of this confusion, needs to know more about both the hazards and advantages as we speed down the road toward a cashless society.

The ultimate dream of EFT foresees a nationwide system of electronic terminals which would eventually be installed in every home

and retail unit throughout the United States. Magnetically coded plastic debit cards would facilitate the instantaneous electronic transfer of funds involved in financial transactions as varied as grocery shopping and home-buying.

In a matter of seconds, computers would electronically complete the transfer process thus eliminating the need for checks or cash, and lessening the high cost of processing check or cash transactions. The need for routine trips to the bank would be eliminated, as debit cards would enable a person to participate in every type of financial transaction from bill-paying by phone, to instantaneous bank deposits or withdrawals.

Why then has the EFT revolution which many experts considered both desirable and inevitable, come to a halt?

Critics and supporters alike agree that the growth of EFT has been impeded by confusion and misunderstanding on the part of both consumers and bankers.

Consumer groups have charged that a National Commission on EFT, established by the Congress in 1974 to investigate and report on the growing economic and legal problems associated with EFT's unregulated growth, has failed to devote sufficient attention to its long-term impact on the public.

Segments of the banking industry have charged that the findings of the Commission's recently released interim report, fall adequately to represent the best interests of all financial institutions.

Critics charge that EFT favors the competitive interests of depository institutions. Many non-depository bodies such as credit card companies probably would be hurt by the adoption of a nationwide EFT system.

FIRST THE HAZARDS

Reasons for this growing dissatisfaction are varied. Consumer reluctance seems centered around a number of major concerns, such as:

Technical difficulties and psychological opposition to doing business with a machine.

Security concerns, such as fears about potential burglarization of EFT accounts.

Privacy worries, or fear that unrecorded, automatic deposits or withdrawals could leave persons unaware of their true balance.

Reluctance to abandon the psychological and legal security of cancelled checks which would be lost if checking as we now know it is dropped.

Unresolved questions about maximum limits of financial or legal liability for fraudulent, erroneous, or unauthorized EFT transactions.

Concern about the loss of benefits derived from traditional banking practices; the loss of float (the time between when a check is written and when it is submitted to the bank), or the ability to put an immediate stop payment on a transaction as with a check, for example.

Postal leaders know that EFT can cost their industry hundreds of thousands of jobs. So postal leaders emphasize the intangible but important benefits derived from daily contact between senior citizens and postal personnel. This contact would be lost, they note, if electronic mail services are adopted.

Bankers and retailers are also uncertain about the willingness of consumers to accept the new system. Many state bankers fear the unregulated growth of EFT services would emphasize Federal regulations and preempt state control.

NOW THE ADVANTAGES

Certain advantages to a nationwide EFT system seem clear. Personal safety and ease and security of payment for one thing. EFT offers senior citizens in particular increased security in financial transactions by removing the threat of criminal victimization or loss.

It would also eliminate the need to carry large sums of cash on one's person.

Many NARFE members already avail them-

selves of an EFT service, having authorized the government to make direct payment of their annuity checks to a designated bank. This EFT service is also available to Social Security recipients.

Reduced operating costs for banks (through the elimination of checks and the concomitant expense of processing them), would almost certainly mean lower service charges for the consumer.

By electing to authorize a bank to assume EFT powers for routine financial duties, the consumer could remove from his life much of the bother and drudgery rooted in financial matters.

CONCLUSIONS

The need for consumer concern over the future course of EFT appears necessary. A recent study by the national accounting firm of Peat, Marwick, Mitchell, and Co. sponsored by the National Commission on EFT, arrived at a number of disturbing conclusions about EFT's trend. It found that:

The public may literally be forced to accept EFT, because checkless banking is bound to come.

Merchants and bankers in the future may be less likely to cash or approve checks which are not supported by a bank guarantee card.

The paper check may become obsolete or at best difficult to get as EFT deposits become the norm.

What is to be made of all this? EFT is probably neither a panacea nor a shadow of doom for either the consumer or the financial industry.

It does appear to possess the potential for providing a safer, more efficient, and economical mechanism for financial transaction through heightened institutional competition. It is clear, however, that the present confusion which today surrounds its operation must be eliminated if EFT is to be adopted.

Important regulations and safeguards such as those enumerated in HR 8753, introduced by Representative Frank Annunzio of Illinois, must be enacted to protect consumer interests and provide control over the presently unorganized growth of EFT services.

THE LAST WORD

The interim report of the National Commission on EFT perhaps summed the problem up best when it declared:

"We believe that consumers through their actions in the competitive environment of the free market, have the power to determine what EFT services they will have. The consumer and depository institution together, not the latter unilaterally, should determine the nature of EFT in the future."

Certain EFT-related services are already in use. Automated bank teller machines, government transfer of annuity and Social Security payments, and bank-issued check guarantee cards, are among the first stages of a national EFT system.

If you presently use or consider using any of these EFT services, you might do well to ask some important questions about the responsibilities and implications associated with such use before you contract for any new service.

L'ENVOI

HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. CARTER. Mr. Speaker, Kentucky lost the greatest basketball coach, Adolph Frederick Rupp, our Nation has ever seen. His University of Kentucky Wildcats have won more games than any other team in the Nation's history. It was with deep regret that his fellow Ken-

tuckians heard of his death. One of his favorite poems was "L'Envoi" by Kipling and I include it for the RECORD, along with an article by Dick Fenlon of the Louisville Times:

L'ENVOI

When Earth's last picture is painted, and the tubes are twisted and dried,
When the oldest colors have faded, and the youngest critic has died,
We shall rest, and, faith, we shall need it—
lie down for an eon or two,
Till the Master of All Good Workmen shall set us to work anew!
And those that were good shall be happy: they shall sit in a golden chair;
They shall splash at a ten-league canvas with brushes of comets' hair;
They shall find real saints to draw from—
Magdalene, Peter, and Paul;
They shall work for an age at a sitting and never be tired at all!
And only the Master shall praise us, and only the Master shall blame;
And no one shall work for money, and no one shall work for fame;
But each for the joy of the working, and each, in his separate star
Shall draw the Thing as he sees It for the God of Things as They Are!
RUDYARD KIPLING [1865-1936].

ADOLPH RUPP IS LAID TO REST (By Dick Fenlon)

LEXINGTON.—Harry Lancaster, Adolph Rupp's right hand man for 24 years, came into the church at 12:42 and took a seat in the first row, near the far left aisle. When Joe Hall, Adolph Rupp's successor, came in a while later, he sat next to Lancaster. Lancaster's eyes were watery. He put his arm around Joe Hall's shoulder and patted him. A Celtic cross, framed by a Christmas wreath with five burning candles, hung above the altar. Baskets and arrangements of red and white roses sat to the left and right. The casket, a dark cherry-red, was in the middle. A cluster of red roses rested on top of it.

Another wreath, this one composed entirely of small, white roses—the wreath with the large "No. 1" in the middle—faced the mourners from the left of the altar.

There were already many in the church when Harry Lancaster arrived, more than 45 minutes before the services, and it filled steadily with Adolph Rupp's former players and assistant coaches; with the men he had coached against during the last part of his 42 years at the University of Kentucky; with university officials; with politicians; with relatives and neighbors and friends and family.

Carey Spicer, who made All-America for Adolph Rupp in 1931, was there, next to Aggie Sale, who made it the next two seasons. Ralph Beard and Dale Barnstable, players from the late 1940s, walked up the aisle together. Jim Dinwiddie, a player from a later generation, sat next to Beard. C. M. Newton, the coach of Alabama, was there, and Gale Catlett of Cincinnati and Dale Brown of Louisiana State and Lee Rose of North Carolina-Charlotte. One way or another, Adolph Rupp's career had touched and influenced all of them. It had touched and influenced a lot of people.

"We come in this service to express, by our presence and words, our final tribute of respect, appreciation and admiration for coach Adolph Rupp as we share in love and sympathy with his family," said Dr. M. Glynn Burke, pastor of Central Christian Church.

Other than being the family minister to Adolph Rupp—the Adolph Rupp who won basketball games faster and longer and maybe even better than anybody who ever was and probably anybody who ever will be—Dr. Burke said there was no particular reason for him to be in the pulpit yesterday after-

noon for his funeral. Although, he was forced to confess, he did "represent another party of some significance."

Best as he could, Dr. Burke lightened a sad occasion.

He said that almost to the end last Saturday, when he finally gave in to cancer, "Adolph Rupp was Adolph Rupp. He was true to character even during the illness and weakness of his last days," Dr. Burke said. "He drank a good bit of water and the nurses were very attentive in getting him whatever he needed. One day a nurse was slightly delayed in getting him a drink. When she arrived, he said, 'Has the hospital run out of water?'"

"As they were going to move him up in bed one day, the nurses asked him to help them by trying to push himself when they counted to three. They counted 'One' . . . 'Two'—then someone noticed that his head needed to be lowered. As they did so, the coach, in his weakened condition but still distinctive voice, asked 'What happened to three?'"

Dr. Burke read several passages which he thought were particularly appropriate from the Old and New Testaments. "Of course," he said, "some of the coach's language did not exactly come from the Bible, but I'm convinced that his faith and philosophy and commitment came from his religious upbringing."

"All of us grow weary of the mediocrity and inefficiency around us, second-rate products and shoddy performance," Dr. Burke said.

"We delight in things that prove to be superior, first-rate."

"We see a lot of losers; we want to see and be with the winners. And that explains part of our deep appreciation, as Kentuckians, for the legacy of Adolph Rupp."

He talked about Adolph Rupp's "amazing achievements" . . . his "winning methods" . . . his "demand for discipline." He tried to put his finger on what made Adolph Rupp what he was, and he said he was pretty sure he had it isolated.

"His life was a quest for excellence," Dr. Burke said. "He had a vision and expectation of it. He just demanded that his players give the best. He had a dream for himself that would not settle for less. He was completely dedicated to winning."

Then Dr. Burke quoted from another Psalm—"I will lift up mine eyes to the hills from whence does my help come." He thought, he said, that if Adolph Rupp ever recited that one, he was probably thinking of the hills of Eastern Kentucky which sent him "those big, strong ballplayers."

And, finally, 30 minutes into the service, he recited "The Sportsman's Prayer." It ends like this:

"He was fallible and human,
Therefore loved and understood
Both, his fellow men and women
Whether good or not so good.
Kept his spirit undiminished,
Never failed to help a friend,
Played the game till it was finished
Lived a Sportsman to the end."

Then they took Adolph Rupp, the coach who won faster and longer and maybe better than anybody, to the cemetery. The wreath of white roses with the big "#1" in the middle went with them—to stand, for a while, beside the grave.

December 17, 1977 into the CONGRESSIONAL RECORD:

ECONOMIC ISSUES FOR 1978

Next year will be one of continued economic growth but the rate of that growth will be slower than in 1977. Unemployment and inflation will both remain in the 6-7% range. Corporate profits will sag a bit and the trade deficit will likely equal the huge deficit of this year.

These are the economic guesses of the experts who testified this fall before the Congress as they engaged in the annual game of forecasting the performance of the American economy. No one can give any assurances that these guesses will be accurate. Past predictions on the inflation rate, in particular, have been notoriously inaccurate. Despite differing forecasts, everyone agrees however, that 1978 will be a year of major economic decisions.

In all likelihood the first decision will involve the much talked about break between President Carter and Arthur Burns, chairman of the Federal Reserve System, over the conduct of monetary policy. The President must decide this month whether he will reappoint Chairman Burns for another four-year term as chairman. The controversy has several facets. President Carter puts considerable emphasis on economic output and full employment while Chairman Burns tends to put more weight on fighting inflation. The President is also concerned with current policies of the Federal Reserve Board under which the growth of money supply has been erratic, often exceeding the target levels of monetary growth. The Board also has moved to restrain the money supply at the same time that interest rates have been rising. The relationship between the two men, the degree of independence of the Board from the control of the President, and the extent of coordination of monetary policy and fiscal policy are all part of the growing debate in the country about our national monetary policy.

Several weeks ago the President announced some ambitious goals for the economy. By 1981 he hopes to reduce the unemployment rate to 4.75%, the inflation rate to 4.3%, and to balance the federal budget at a level equal to 21% of the gross national product. In my view, worthy as these goals are, it is extremely unlikely that they can be obtained simultaneously. To achieve them the economy would have to grow vigorously for five years, led by a 10% annual growth in fixed investment. The need for this investment raises another set of major decisions for 1978: can President Carter create and sustain the business confidence necessary to obtain the needed investment and growth. Such confidence depends on the President's economic policies, especially those involving energy and taxes, and the outlook for business profits. Business continues to worry about where President Carter stands on key economic issues and as long as doubt continues, confidence will be hard to come by.

The trade deficit, projected to be \$30 billion this year, is a growing economic concern which may force the country to make some tough economic decisions in the coming year. Its causes are understood—high energy costs, slow economic growth abroad, the possible erosion of the United States competitive position, sticky exchange rates, and increased exports from the developing countries. The sheer magnitude of the deficit, however, could limit the conduct of economic policy for fear of making the trade deficit even larger.

Next year will also bring several major legislative decisions on economic issues. If a satisfactory energy bill is not passed the President and the Congress will surely be back at that legislative well once again. At this moment the push for major tax reform appears to be fading fast in favor of a substantial tax cut for individuals and businesses and relatively modest and simple tax

ECONOMIC ISSUES FOR 1978

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington report for

reform. A tax cut is almost certain to be enacted early in 1978. In addition, the role of government in directly providing jobs will be a part of several pieces of important legislation, including the revised Humphrey-Hawkins bill, with its target of 4% unemployment, the welfare reform bill with its emphasis on work requirements, the Comprehensive Education and Training Act (CETA) which creates public service jobs, and changes in the trade adjustment assistance and unemployment compensation insurance systems. Jobs for the young and the hard core unemployed will continue to be the focus of discussions on employment.

Perhaps most important of all, 1978 will see serious discussions, and perhaps some decisions on a whole new approach to inflation and jobs, including a plan to use the nation's tax system to reward companies and unions that restrain wage and price increases, and perhaps punish those that do not. There is a growing belief among the experts that existing tools to obtain faster growth, more jobs and reduced inflation are not working and that new methods must be found. The traditional use of monetary and fiscal policy is no longer adequate to control the economy, and experiments with other approaches must be tried, even if they carry some risks.

OUR GREATEST CHRISTMAS GIFT TO THE INNOCENT IN BOLIVIAN JAILS—FREEDOM

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. HANSEN. Mr. Speaker, I received word today from the White House that the President and the State Department are giving priority to implementing my recent suggestions for freeing the American prisoners currently being held in Bolivian jails. In a letter dated December 15, the President's National Security Affairs chief, Zbigniew Brzezinski said:

Just last Wednesday the Department of State cabled your suggestions on the court review process to the Embassy in La Paz. Today the Department will telephone the Embassy to make the additional point you raised, namely that you asked the President's urgent help in getting the six detainees released as soon as possible, hopefully in time for their arrival in the U.S. for the holiday season. I will ensure that the Embassy is also made aware of the President's personal interest in this regard.

To insure that those prisoners considered innocent can be home as soon as possible, I had suggested that once the lower court makes its ruling, the higher court should make only a brief or cursory review to assure that the proper legal procedures had been followed. By following this course it was hoped the needed time might be saved to allow the prisoners to be home for Christmas.

In his letter, Brzezinski also said the State Department had sent three senior officials to Bolivia to check on the welfare of the American prisoners and to review the status of their pending court cases. In addition, he said that the President had discussed the prisoner

problem with Bolivian President Banzer during his visit to Washington in September.

Mr. Speaker, I hope that this added pressure from the White House will expedite the American's release. Since before my trip to South America in September we have tried to prod the wheels of justice in Bolivia so that the Americans being held there unjustly could be quickly released. This has been a long, hard fight but hopefully we now see the light at the end of the tunnel and our efforts are due to pay off.

Lower court absolution was granted to three Americans recently and is expected momentarily on three more including my constituent Tom McGinnis of Idaho Falls. This was based on recommendations of no prosecution by Bolivian authorities. A superior court must now review all six cases.

The text of the Brzezinski letter follows:

THE WHITE HOUSE,
Washington, December 15, 1977.

DEAR CONGRESSMAN HANSEN: This is to acknowledge your letter of December 7 to the President in which you urged his immediate assistance to Americans imprisoned in Bolivia.

As you know from frequent conversations with members of the White House staff and with State Department officers, a great effort is being made to expedite the court cases of the Americans detained in Bolivia on narcotics related charges. State Department officials and our Embassy in Bolivia have encouraged the Bolivian Government, including the Bolivian courts hearing these cases, to speed up processing of the cases and to absolve and permit the prompt departure of those prisoners against whom no charges are ultimately filed.

Ambassador Boeker and his staff explored many aspects of the American prisoners problem with Bolivian authorities. The President personally discussed this problem with President Banzer during his visit to Washington in September. Three senior State Department officers have visited Bolivia to look into the welfare of the American prisoners, and to review the status of their pending court cases. We have taken steps to assure that the health needs of the detained Americans are being met. Just last Wednesday the Department of State cabled your suggestions on the court review process to the Embassy in La Paz. Today, the Department will telephone the Embassy to make the additional point you raised, namely that you asked the President's urgent help in getting the six detainees released as soon as possible, hopefully in time for their arrival in the U.S. for the holiday season. I will ensure that the Embassy is also made aware of the President's personal interest in this regard.

As you know, several American prisoners have recently been released and have returned to the U.S. A member of my staff met recently with Michelle Freyer and a number of others who are deeply concerned about this matter. They reviewed recent developments and were apparently pleased by the progress that has been made.

The President shares your hope that the other prisoners will be absolved of the charges pending against them and will soon be allowed to return home.

We will keep you informed of new developments as they occur.

Sincerely,

ZBIGNIEW BRZEZINSKI.

SOCIAL SECURITY

HON. RAYMOND F. LEDERER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. LEDERER. Mr. Speaker, I am recorded in support of H.R. 9346, social security financing bill passed by this House on Thursday, December 15, 1977.

When I first came to Congress last January, I was acutely aware of the fact that my service in the House would not always be simple or easy. There are those occasions when Representatives of the people have to make hard, tough decisions. Mr. Speaker, this is just one of those times when it is difficult to be a Member of this House.

H.R. 9346 provides for substantial increases in the social security taxes paid by both employers and employees beginning in 1979. It is not an easy task for any politician to vote tax increases. The easy thing would be to not vote such increases. However, social security represents the only source of income for many millions of our fellow Americans. Many of these people are senior citizens, others are children and still others are disabled. This Congress was faced with the enormous task of insuring the solvency of the social security trust fund. Our proposal puts the system on good financial footing for the next 25 years. Additionally, it will do away with the long-range insolvency problems.

Mr. Speaker, it is inconceivable to me that any Representative of the people could vote against this bill and allow the system to, in effect, go broke.

As a member of the Subcommittee on Social Security and Ways and Means, I was given the direct responsibility by this Congress to develop reasonable, sound proposals for social security financing.

Our committee worked long and hard coming up with a good bill; one that will insure the benefits for 33 million Americans and at the same time begin the long and difficult task of basic reform in the law. This bill, while not perfect, goes a long way to accomplishing those goals.

Mr. Speaker, H.R. 9346 is a well thought-out piece of legislation. Indeed, under present conditions it is the only possible way to approach these very complex problems. Wage base increases as well as tax rate increases have to be carefully worked out to insure basic solvency. A decoupling formula has been included to bring future cost-of-living increases more into line with financial realities. An increase in the earnings limitation from \$3,000 to \$6,000 was included over the next 5 years for senior citizens over 65 years. Basic reforms in the treatment of men and women under the law have been started. The reduction in the 72 year age limit to 70 was included.

Parity has been maintained between employee and employer contributions, with no increase until 1979 and, then for

1 year, the increase mandate by current law.

Mr. Speaker, I want to be able to assure all my constituents that the social security system is alive and well as result of the actions taken by this Congress. With the passage of this bill, I can report to both my senior citizens and current workers that benefits will be there when they need them. It is my hope that once we proceed to insure basic solvency in the system, we can proceed, over the next several years, toward a new revenue mechanism whereby major increases in social security taxes will not be necessary.

Mr. Speaker, indeed it is sometimes very difficult to be a Member of the House. Nevertheless, this is one of those times when, difficult as it may be, I am proud to be counted as one of the distinguished Members of the U.S. Congress.

ACCOMPLISHMENTS OF THE 95TH CONGRESS, 1ST SESSION: REPORT TO THE PEOPLE OF THE FOURTH DISTRICT OF WISCONSIN

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. ZABLOCKI. Mr. Speaker, on this last day of the 1st session of the 95th Congress, I am submitting the following annual report on the activities of the 95th Congress thus far to residents of the Fourth Congressional District of Wisconsin, which I have the honor of representing. This report is intended to highlight some of the major strides taken by the Congress in addressing the Nation's problems, in defining areas for reform, and in laying the groundwork for future policy.

Mr. Speaker, I need not emphasize the fact that a single session of Congress will not result in the correction of all the ills of our society. But, important strides have been made in reforming national policy to meet the real needs of our Nation. The record of accomplishments of the 95th Congress thus far proves that it is responsive to national priorities and effective in the actions it has taken.

As Eleanor Roosevelt once said, "Democracy cannot be static. What-ever is static is dead."

Mr. Speaker, the 1st session of the 95th has, without a doubt, moved forward and ably met the challenge to implement our democratic system.

The principles of trust and confidence which came to the forefront during the 1970's were addressed by the Congress. The Intelligence Committee began its work in overseeing U.S. intelligence activities. The International Relations Committee began hearings on the Korean influence issue. And the Nation, as a whole, witnessed the resignation of a top-level Cabinet official when a question of ethics arose.

ECONOMY

Foremost of the activities of the Congress was economic recovery. The eco-

nomie surge launched by Congress and the President in January has settled into a steady, sustainable growth with good signs for the future. Last month's unemployment rate was 6.9 percent, down a full percent from the fourth quarter of 1976. In the Milwaukee metropolitan area, the unemployment figure dropped from 6.1 percent in 1976 to the present 5.3 percent.

After taking a tough look at the administrations economic stimulus proposals and after trimming and shaping where necessary, the Congress passed legislation appropriating \$20 billion for economic stimulus. This provided \$7.9 billion to more than double public service jobs in fiscal year 1978 and \$4.9 billion in revenue sharing, which goes directly to our local governments. In addition, the Congress expanded the Public Works Employment Act, which triples from \$2 billion to \$6 billion the authorization for Federal grants for local public works projects. The city and county of Milwaukee as well as surrounding communities are presently financing worthwhile construction projects with public works moneys.

On the national level, the new public works legislation is expected to create 600,000 jobs, largely in construction and related industries in areas of high unemployment.

I am heartened that the Congress worked within its budget and actually trimmed \$6.5 billion from the administration requests in its appropriating legislation for fiscal year 1978. At the same time, it enacted a \$34 billion tax cut for our Nation's citizens.

ENERGY

One of the most complex and important pieces of legislation in our history was taken up during the 1st session of the 95th Congress. The National Energy Act, proposed by the President and acted upon by five standing committees and an ad hoc committee on the House side will directly affect the lives of every American and future generations as well.

Just 7 years ago, we were importing less than one-fourth of our oil needs and paying less than \$6 billion for it. Today, we import almost half our oil consumption at a cost of \$45 billion—twice the size of our projected trade deficit for this year. We are spending \$5 million every hour to buy imported oil. In attempting to resolve the energy problem, the Congress struggled with the questions of natural gas regulation, taxes, and exploration incentives. I opposed total deregulation of natural gas as well as a raise in the gas tax because of the financial burden these measures would have placed on lower-income taxpayers. Fortunately, deregulation and the gas tax increase did not pass in the House version of the National Energy Act. The House also passed provisions calling for tax credits for home insulation and authorizing \$965 million over three years for energy-conserving alterations in schools, hospitals and public buildings.

While the National Energy Act is not expected to be cleared in final version until the second session, I am hopeful

that the 95th Congress will enact major reform measures as our country enters a new era of energy use.

In keeping with its commitment to develop and effectively implement a national energy policy, the Congress created a new Cabinet-level Department of Energy to consolidate various agencies which were handling energy matters in the past, thereby avoiding duplications and insuring effective, coordinated energy administration on the national level.

SENIOR CITIZENS AND VETERANS

Those Americans most adversely affected by the burdens of inflation and unemployment are our Nation's senior citizens. While much remains to be done, the Congress took positive steps toward providing relief to the elderly.

Of primary concern to the Congress was the Social Security Administration. Senior citizens receiving social security benefits received a 5.9 percent cost-of-living increase in benefits last July under the automatic procedure enacted by Congress in 1972. And, just today, we have completed action on the major legislation, the Social Security Financing Act, to shore up the Social Security Administration. I am heartened that present beneficiaries need fear no interruption of their benefits and that the Social Security Administration will again be solvent.

And, in keeping with its commitment to the principle that our senior citizens are contributing members of our society, the Congress appropriated \$59 million to create jobs for older Americans. In the housing area, the Housing and Community Development Act of 1977 includes special assistance for older, declining urban communities and authorizes \$1.16 billion in contract authority for public housing and section 8 housing assistance which benefit many of our senior citizens. Mr. Speaker, personally I am very concerned with the needs of our elderly and I regularly keep in contact with the excellent organizations in Milwaukee which receive Federal funds, such as the Milwaukee County Commission on Aging and Project Involve.

The 1st session of the 95th Congress provided additional assistance to meet our veterans' health needs. For example, service-connected disability compensation and dependency and indemnity compensation was increased by 6.6 percent. A new law also provides an automobile assistance allowance and automotive adaptive equipment to qualifying disabled veterans of World War I. An additional \$15 million was provided for each of fiscal year 1978 and 1979 for renovation of State VA facilities. The domiciliary construction project at the Veterans Hospital at Wood, Wis., is a result of a Federal grant, which I was pleased to support.

ETHICS AND GOVERNMENT REORGANIZATION

Mr. Speaker, you stated early in the year that ethics reform was to be at the top of the list of the agenda for the 95th Congress. I am encouraged that my colleagues in the Congress passed major reforms in this area.

The Congress passed a strong code of financial ethics and created a Select Committee on Ethics to assure that they are implemented. As one who has supported financial disclosure over the years and always made my own finances available to anyone who desires to see them, I believe the new code will significantly contribute to ethical behavior and a new confidence by our citizens in those they elect. Besides requiring a broad financial disclosure of Members and key staff, the code limits outside earnings to 15 percent of one's salary and limits the use of the free mailing privileges, honorariums, gifts, and other expenses. In addition to carrying forth the ongoing reforms initiated in 1976, the House of Representatives enacted rule changes that make our proceedings more open and democratic, and began investigations of the charges that the South Korean Government illegally influenced the behavior of Members of the House.

Consistent with the wishes of the American citizens and the President to trim the Federal bureaucracy and eliminate redtape and duplications of effort, the Congress enacted the Reorganization Act of 1977. This law gives the President authority for 3 years to transmit to Congress executive branch reorganization plans. Early in this Congress President Carter's reorganization plan No. 1 was accepted and I am confident that we can expect to see improvements in the size and performance of the executive branch in the future.

HEALTH AND EDUCATION

In the field of health, the Congress authorized \$3.3 billion for the extension of health programs in fiscal year 1978. Federal health moneys are used for public health services in counties such as Milwaukee, for community mental health centers, for migrant health, and other vital programs. In addition, funds are used for research in areas including cancer and heart disease. In keeping with the commitment to provide health care to those who cannot afford private doctors, yet eliminate wasteful spending, the Congress passed the medicare-medicare anti-fraud amendments. The new law strengthens the Government's ability to detect, prosecute, and punish fraudulent activities under the medicare and medicare aid programs.

Mr. Speaker, the Congress has yet to deal with the vital issues of national health insurance and hospital cost containment. These difficult matters are not easily resolved but we must assure that future quality health care is available to all of our citizens. I am confident the Congress will deal with these issues in the immediate future.

In an area which touches upon both health and education, the Congress cleared a major school lunch bill which provides our needy children with the proper nourishment they require. In addition, Congress authorized \$1.1 billion over over 5 years for the Education of the Handicapped Act and authorized funds to cover library services of urban libraries.

INTERNATIONAL RELATIONS

Mr. Speaker, in the area of international affairs, the Congress continued to assert its responsibility in the conduct of foreign affairs.

As chairman of the House International Relations Committee, it was a privilege to share in the policymaking responsibility. My committee took action to safeguard the basic respect for man by including human rights provisions in foreign aid legislation.

Our commitment to maintaining a balanced policy in the Middle East was retained. In extending the Export Administration Act, the Congress added provisions prohibiting compliance by American firms with the Arab boycott of Israel. At the same time, our military and economic aid to Israel and Arab countries reflects the necessity of maintaining a responsible and fair balance of power in the Middle East. The Congress and administration must resist emotional pressures and insist on a prudent policy which recognizes the rights of all peoples in the Middle East. Only through adherence to this policy will we see a long and lasting peace.

After considerable work, the Congress passed legislation to provide international food and economic development assistance. Under this legislation, emphasis is placed on helping countries to meet basic human needs and develop their own economies.

Under the auspices of the Subcommittee on International Security and Scientific Affairs, which I also have the honor of chairing, legislation improving

and enhancing the operation of the Arms Control and Disarmament Agency was adopted.

My subcommittee also passed the Nuclear Anti-Proliferation Act establishing new criteria to govern the export of nuclear material and technology by the United States. The act reflects my belief that we must make a concerted effort to better satisfy future world energy needs while curtailing the spread of nuclear fuel which is easily converted into weapons.

My subcommittee also reviewed the performance of our security assistance programs worldwide, including the President's conventional arms transfer policy. As part of the subcommittee's oversight responsibilities, the subcommittee reviewed the status of various arms control negotiations with the Soviet Union including the ongoing negotiation toward a new SALT agreement.

Mr. Speaker, at this point I would like to express my appreciation to our colleagues for their cooperation and hard work in the 1st session of the 95th Congress, and I look forward to a productive second session. Much work remains to be done. We must resolve our energy problem and lower even further our rates of inflation and unemployment. We must work toward furthering social justice, full employment, and protect the rights of the unborn. And, we must assure a lasting peace for future generations.

Mr. Speaker, the following is a summary of my attendance record, position, and voting record on some of the major issues considered during the 1st session of the 95th Congress.

Rollcall record of Congressman Clement J. Zablocki, 95th Cong., 1st sess.

	Yeas/ nays	Quorum calls	Recorded votes	Grand total
Number of calls or votes	471	76	235	872
Present responses (yea, nay, present, present-paired for or against)	451	74	231	756
Absences (absent, not voting, not voting-paired for or against)	20	2	4	26
Voting percentage (presence)	95.7	97.3	98.2	96.6

VOTING RECORD OF CONGRESSMAN CLEMENT J. ZABLOCKI, 95TH CONGRESS, 1ST SESSION

POSITION, ISSUE, AND STATUS

National economy

Voted for: A \$34 billion tax cut over three years to stimulate our depressed economy; became law.

Voted for: Legislation creating 600,000 jobs to lower unemployment; became law.

Voted for: Budget resolution to set ceiling on Federal spending; adopted.

Voted for: Anti-recession assistance to state and local levels of government; became law.

Voted for: Appropriations to help middle-income taxpayers meet unexpected high heating costs; became law.

Voted for: A raise in the Small Business Administration's loan ceiling to help small businessmen; became law.

Voted for: Extension of the Council on Wage Price Stability Act; became law.

Voted for: Banking and credit union reform; became law.

Cosponsored: Franchise reform legislation

to provide greater benefits to consumers; pending.

Voted for: Reduction in downpayments for new home buyers; became law.

Energy, environment, and natural resources

Voted against: Proposals to increase the Federal gas tax; house defeated.

Voted against: Proposals to deregulate new natural gas; in conference.

Voted for: Legislation to establish a comprehensive national energy policy; in conference.

Voted for: Tax credits for home insulation; passed House.

Voted for: Establishment of Ad Hoc Committee on Energy to coordinate and expedite energy legislation; adopted.

Voted for: Legislation authorizing funds for the Energy Research and Development Administration to promote new knowledge of our domestic energy capabilities; vetoed.

Voted for: Legislation authorizing funds to create a nuclear regulatory commission; became law.

Introduced: Legislation providing for more efficient & effective control over the proliferation of nuclear explosive capability; passed House.

Voted for: Legislation to gradually increase the automobile emission standards to protect the environment; became law.

Voted for: Federal funding for municipal sewerage treatment plants; cleared for President.

Voted for: Creation of a federal-state program to regulate strip-mining and surface effects of underground mines; became law.

Voted for: Funding to establish a land and water conservation fund to protect and preserve our national parks; became law.

Voted for: Legislation to prohibit ocean dumping of municipal sewerage sludge after 1981; became law.

Voted for: Programs for the protection of our marine mammals; became law.

Voted for: Legislation for the conservation, protection & enhancement of the nation's land & water resources; became law.

Retirement, health and social services:

Voted for: Legislation appropriating \$57 million for jobs for older Americans; became law.

Voted for: Authorization for reducing air fares for the elderly; passed House.

Voted for: Legislation to restore financial solvency to the Social Security Administration; cleared for President.

Voted for: Elimination of mandatory retirement age of 65; in conference.

Voted for: Funding for heart, lung and blood research; became law.

Voted against: Proposals to allow federal funding of abortions; compromise enacted.

Cosponsored: National health insurance program; pending.

Voted for: Legislation to assist Americans suffering from mental disabilities; became law.

Voted for: Legislation to protect citizens from fraudulent activities under the Medicare and Medicaid programs; became law.

Voted for: Protection and enforcement of safety measures for minors; became law.

Voted for: Delay in the saccharin ban until the appropriate study is completed; became law.

Voted for: Legislation to improve the administration of SSI benefits for the poverty-stricken; House passed.

Voted for: Funds for day-care services; House passed.

Veterans and national defense

Cosponsored: Bill to allow the exclusion of social security increases in computing veterans' pensions; pending.

Voted for: Increase in veterans' disability benefits; became law.

Voted for: Increase in veterans' and survivors' pensions; House passed.

Voted: Funding to improve state veterans' homes; became law.

Cosponsored: Legislation to provide for payment of service pensions to veterans of World War I; pending.

Voted for: Automobile assistance allowance & adaptive equipment to disabled veterans of World War I; became law.

Voted for: Increase in veterans' educational benefits; became law.

Voted for: Maintenance of our nation's defense by supporting adequate funds for procurement and research; became law.

Voted for: Legislation to rescind \$453 million previously intended for a new nuclear carrier and conversion of a ship to nuclear arms; became law.

Transportation, housing and consumers

Voted for: Resolution directing Secretary of Transportation to apportion highway

sums authorized for our nation's highways; adopted.

Voted for: Emergency railroad operating assistance; became law.

Voted for: Direct federal assistance to local communities in the form of Community Development Block Grants; became law.

Voted for: Housing assistance programs for low and middle-income taxpayers; became law.

Voted for: Benefits and incentives for new, single-family home owners; became law.

Voted for: Legislation to expedite FTC cease and desist orders thereby benefiting consumers; House passed.

Voted for: Legislation to prohibit debt collectors from using harassing or intimidating practices; became law.

Voted for: Creation of Consumer Cooperative Bank to make low-interest loans to consumer cooperatives; House passed.

Voted for: Resolution opposing the elimination of Saturday mail delivery service;

Education and labor

Voted for: Legislation authorizing \$1.1 billion over five years for education of the handicapped; became law.

Voted for: Extension of the school lunch and child nutrition programs; became law.

Voted for: Funding for career education courses in elementary and secondary schools; in conference.

Introduced: Legislation to provide a tax credit for tuition paid to elementary and secondary schools; pending.

Cosponsored: Bill to provide equal educational opportunities for students in elementary & secondary schools, thereby offering an alternative to forced busing; pending.

Voted for: Legislation prohibiting HEW forced busing; became law.

Voted for: Legislation to provide funding to disadvantaged school children; became law.

Voted for: Legislation providing funding for library services and the construction of libraries; became law.

Voted for: A raise in the minimum wage; became law.

Voted for: Reform legislation to strengthen the National Labor Relations Board and expedite union representation elections; House passed.

Constitutional issues and general government

Introduced: Resolution proposing an amendment to the Constitution to assure that due process and equal protection are afforded to all individuals, including the unborn, with respect to the right to life; pending.

Cosponsored: Resolution to require financial disclosure for those seeking elected offices; pending.

Voted against: Measure to increase allowance for District office space by 1,000 sq. feet at a cost of \$3.5 million; passed.

Voted for: Legislation to allow federal workers their right to participate in political elections; passed House.

Introduced: Resolution commemorating Thaddeus Kosciuszko in Krakow, Poland; became law.

Voted for: Creation of U.S. Postal Service Arbitration Board to handle disputes; House passed.

Voted for: Reorganization of the Executive Branch to lessen duplications and red tape; became law.

Voted for: Legislation requiring audits of the Internal Revenue Service and the Bureau of Alcohol, Tobacco and Firearms; became law.

International relations

Cosponsored: Legislation providing food and economic assistance to help poor countries help themselves; became law.

Cosponsored: Resolution reaffirming U.S. commitment to obtain full compliance with human rights provisions of Helsinki Accords; pending.

Introduced: Resolution proposing an international treaty banning lethal chemical weapons; pending.

Cosponsored: Legislation to govern the export of nuclear material and technology by the U.S.; passed House.

Voted for: Extension of the Peace Corps Program; became law.

Voted for: Approval of the Reciprocal Fisheries Agreement between the U.S. & Canada; became law.

Cosponsored: Bill to repeal the immunity statute for foreign diplomats in the U.S.; passed House.

Voted for: Prisoner exchanges between the U.S. and Mexico and Canada; became law.

Introduced: Legislation making the Arms Control and Disarmament Agency more effective; became law.

Voted for: Responsible authorizations for the Dept. of State, U.S. Information Agency, and Board for International Broadcasting; became law.

Voted for: Resolution expressing the concern of Congress regarding the harassment of Soviet Jews and other minorities; adopted.

Cosponsored: Bill to implement the Convention on the Prevention of the Crime of Genocide; pending.

PHILADELPHIA MAKES TREE-PLANTING PROGRAM PERMANENT

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. EILBERG. Mr. Speaker, during the historic celebration of our Nation's Bicentennial, the city of Philadelphia embarked on an ambitious program involving the planting of trees throughout the Fairmount Park system.

That very successful 10,000 trees program was made possible through thousands of contributions—ranging from school children's pennies to corporation's dollars.

I am very pleased to be able to report that this has been made an ongoing, permanent program.

The program, under the new designation of the Fairmount Park plant a tree program, will continue the reforestation and beautification of the world's largest city park through active individual, organization, and company participation.

With the endorsement of Mayor Frank L. Rizzo, and under the auspices of the Fairmount Park Commission, the plant a tree program has been formulated to encourage individuals, groups, and corporations to give contributions for the planting of trees or groves of trees in the park. The gift trees may be planted in any of the 37 parks under the jurisdiction of the park commission and may be planted in honor of individuals, schools, organizations, companies, or events, or simply as a community betterment effort,

as part of the mayor's effort to encourage tree planting and to preserve open space in Philadelphia.

The program of public and private contributions for the planting of trees in Fairmount Park will supplement the city's and the park commission's regular planting programs that provide for the planting of approximately 4,000 new trees throughout the park system and city each year. There are an estimated 3 million trees in the park, but many are lost each year due to old age, disease, storm, and other damage.

The plant a tree program is especially geared to school groups who can participate in the tree program from start to finish as an important lesson in nature, ecology, and community involvement.

The schoolchildren can raise the money, help select the tree and planting site, participate in the planting, and help watch over the trees after they are planted.

Individuals might want to participate in the plant a tree program in order to create a living memorial to a loved one or out of civic pride and a love of trees and things growing.

Organizations and companies have been invited to participate to help beautify certain park areas near them or as part of the effort to improve the quality of life for everyone who lives or works in Philadelphia. Philadelphia area residents enjoy the many benefits of one of the most beautiful and well-maintained park systems in the world. Participation in the plant a tree program is but one way of preserving the natural beauty of our parks.

REACTIVATING MIDWAY AIRPORT

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. DERWINSKI. Mr. Speaker, I and other Members of Congress are interested in the revitalization of Midway Airport in Chicago, which would be a practical solution to relieving of some of the congestion at O'Hare International Airport.

Chicago's WGN Radio-TV Broadcasting Co. commented upon the latest developments in reactivating Midway, in their editorial of December 8, which I wish to insert at this time:

AIRLINE REGULATION

The Department of Transportation has filed a brief in support of proposed low-cost air service linking Midway Airport with six other cities within 600 miles of Chicago. The brief was filed with the Civil Aeronautics Board a regulatory agency which has not granted a charter to a new airline in nearly 40 years.

The Transportation Department brief was filed for two reasons. The first was in support of one of the four companies to file for the route and fare authorities out of Midway Airport. Midway had languished since the jet age dawned and moved air service to O'Hare Field. However, the only two scheduled airline arrivals and departures now using Midway are a low-cost no-frills service between Saint Louis and Chicago.

The second reason for the brief was to support a general policy of the Carter administration, a policy calling for more competition and less regulation in the airline industry and others. As if to prove the point for less regulation, consider this: The first petition for the six routes out of Midway was filed with the CAB in October . . . of last year. The CAB has promised what it calls an expedited decision . . . by next August first.

ENDING THE ANTITRUST EXEMPTION FOR ORGANIZED LABOR

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. CRANE. Mr. Speaker, during floor action last October on H.R. 8410, the so-called labor reform bill, we heard much said about fairness, the rights of workers, and the ability of employers to thwart implementation of the law by procedural means. To hear proponents talk, one would have thought that only businessmen were able to exempt themselves from legislation concerning labor-management relations and that organized labor had no such exemption, nor was it in want of one. Unfortunately, however, the reverse is true in both cases; not only do the records of the NLRB indicate that over 80 percent of all certification elections are conducted, without contestation, within 45 days of the filing of an election petition, but it is organized labor rather than business management which has special exemptions from laws affecting labor-management relations. The most obvious and blatant of these is the one written into the Clayton Act of 1914 exempting organized labor from the Nation's antitrust laws.

When people think of the laws governing the relationships between employer and employees they often forget that not only is labor law involved but also antitrust law. Labor law sets forth the rights of employees to organize and collectively bargain for better conditions in the labor market while antitrust law sets forth the restrictions against monopolistic activities in the product market. Inasmuch as the labor force produces goods for the product market, the protection of rights for those in the labor market cannot be isolated from the exercise of those rights in the product market; to attempt to do so not only tends to discriminate in favor of one side or the other as court rulings have reflected over the years.

Simply stated, if business, in the exercise of its rights, cannot conspire to act in restraint of trade, then the same prohibitions should likewise apply to organized labor. If it is wrong for business to collude to fix prices, then it should be wrong for labor to conspire to fix wages. Likewise, if it is wrong for firms to divide up the product market so as to create a monopoly of business, then it should also be wrong for unions to divide up the labor market so as to promote a monopoly of labor. It is one thing to grant organized labor the right to organize and bargain collectively with their employ-

ers; no one denies that right. But it is quite another thing to allow organized labor to do so in a manner which allows it to take unfair advantage of both employers and that interested third party—the American consumer.

With the current Clayton Act exemption, antitrust law admits to the involvement of only two parties in an economic transaction—the buyer and the seller of goods. But, as any businessman will tell you, the producer of those goods—the working person—has a major impact on the price level of the transaction. The impact is known as the cost of labor and it will rise in accordance with any labor agreement reached with employees. Obviously if, in the process of negotiating and implementing that agreement, the employees can operate in a monopolistic fashion while employers cannot, that cost may rise to artificially high levels. Of course, it is precisely those types of price increases the antitrust laws were designed to prevent.

Several examples may serve to clarify the concept. First of all, if General Motors was the only company selling cars, or United States Steel the only firm from whom you could buy steel, or Gulf Oil the sole merchandiser of gasoline, the price of all three would undoubtedly be higher and the public would be up in arms. But, little concern is expressed over the fact that the UAW is the only union representing autoworkers, the United Steelworkers of America has a monopoly in the representation of steelworkers, and that petroleum workers are members of a single union, depending on the kind of work they do. Second, if a service station owner who had the only batteries in town told his customers that the only way they could buy one was to buy tires as well, that service station owner could expect to find himself in court. But the courts, on the other hand, have accepted the idea that a union can tell an employer what kinds of doors he can put in a house if he wants the walls to go up around it. To prohibit the latter in each instance would, in no way infringe on the right of a union to organize, bargain collectively, or to strike; it would make all other things more equal.

There are indications, however, that if explained in these terms the American people would reject the premise that unions should be allowed to impact on the product market in a way employers cannot. Last March, the Opinion Research Corp. of Princeton, N.J., did a survey in which it asked four questions about union activities in relation to the product market. First of all, the question was asked, should labor unions be able to engage in practices which limit or restrict competition and 67 percent of those interviewed said no. Then the question was asked, should unions be allowed to restrict or limit production and again 67 percent said no. Following that, respondents were queried as to whether unions should be allowed to engage in practices which fix wage rates throughout an industry and this time 56 percent of the people said no. Finally, those interviewed were asked if they favored or opposed legislation which would make unions

subject to the antitrust laws the same as business and 60 percent of them indicated they would favor such legislation. Only 14 percent were opposed to it and the remaining 26 percent had no opinion. Significantly, even blue collar workers, the most likely to be unionized, favored such a bill by a 52 percent to 18 percent margin.

The results of this poll have not gone entirely unnoticed although they have not received the attention they deserve. On June 30, the St. Louis Globe-Democrat surveyed the findings in an editorial and advocated support of my legislation, H.R. 5314, to remove the antitrust exemption currently granted labor unions. To quote the Globe-Democrat: "Artificially high costs and skyrocketing prices are an unnecessary burden on consumers whether they are caused by business or unions or both." Removing labor's exemption, the editorial continued, "... will be fair to all—business, unions and the consumer."

As chief sponsor of H.R. 5314, which now has 13 congressional cosponsors, I concur fully with the Globe-Democrat's assessment. Not only is it inconsistent to treat two supposedly equal groups in our society differently under the law, but it is inflationary as well. Everyone, even the labor union member himself, is the loser when prices are forced up to artificially high levels, and given a monopoly situation they have little alternative but to pay those prices.

Mr. Speaker, while my bill is likely to bar such practices as industrywide bargaining, coordinated bargaining, secondary picketing, product boycotts and jurisdictional strikes, let me reiterate that it is not an effort to repeal rights granted under the National Labor Relations Act. Somewhat ironically, what H.R. 5314 provides is exactly what H.R. 8410 promises but does not deliver—equal protection under the law. And while I do not expect it to happen, if proponents of H.R. 8410 are serious about ending double-standards, addressing labor's antitrust exemption should be placed high on their list of priorities. For, in addition to being fair to all concerned, eliminating that exemption represents the most constructive kind of proconsumer legislation imaginable and it should be adopted without further delay.

For the benefit of my colleagues who might want to see the full text of the St. Louis Globe-Democrat editorial, I shall now insert it in the Record at this time:

PUT UNIONS UNDER ANTITRUST LAWS

An overwhelming majority rightly believes that labor unions should be subject to antitrust laws the same as business is. That is the view expressed by 81 percent of the persons polled by the Opinion Research Corp. of Princeton, N.J.

Furthermore, 60 percent of the respondents favor enactment of legislation by Congress to put unions under antitrust laws. A surprisingly few—only 16 percent—said they oppose such a move, while the others had no opinion on the matter.

No justification exists for the exclusion of labor organizations from provisions of the law. The preferential treatment of unions has been nurtured over long years of favorable congressional legislation and court decisions. Providing labor organizations with immunity from antitrust laws harks back to a time when unions were weak. It was a spa-

ciou argument at best even in the old days because everyone should abide by the law, and compliance should not be required on the basis of strength or weakness.

The picture has changed completely. Today the powerful labor organizations are big business, and they can take care of themselves. Now it is the consumer who needs the protection, for it is the user who pays for unreasonably costly union demands. Business also finds itself on occasion at the mercy of the powerful labor chiefs backed up by bulging union treasuries.

The scientific survey by Opinion Research for the United States Industrial Council proves most Americans are aware of the true situation—and that they want corrective action taken to remedy the imbalance. A bill to remove union exemption from antitrust laws is pending in Congress. The measure, H.R. 5314, was introduced by Rep. Philip M. Crane, R-Ill., and 13 cosponsors. The bill also seeks to prohibit union practices that restrict competition or production.

The survey found that 67 percent oppose union practices that restrict or limit production. Opposition to union practices which limit competition was voiced by 60 percent of the blue collar households, with only 17 percent stating that such practices should be permitted.

The American public has learned the economic facts of inflation the hard way and wants something done. Artificially high costs and skyrocketing prices are an unnecessary burden on consumers whether they are caused by business, unions or both.

If members of Congress are sincerely interested in the voice of their constituency, they will see to it that labor is required to behave responsibly by removing the exemption. The long overdue action will be fair to all—business, unions and the consumer.

JAYCEE WEEK

HON. JOSEPH L. FISHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. FISHER. Mr. Speaker, the year 1978 marks the 30th anniversary of the Arlington, Va., Jaycee chapter and the 58th anniversary of the founding of the United States Jaycees. Since 1948 the Arlington Jaycees have dedicated their time and drive to making Arlington, Va., a better place in which to live. Their commitment to the National Orthopedic and Rehabilitation Hospital, Arlington Hospital, and numerous civic, service and community projects in Arlington and across the Commonwealth of Virginia are well-known to my constituents.

In an effort to recognize the contribution toward our country and State, the week of January 15–21, 1978, has been set aside across America to pay tribute to the Jaycees for their fine work and accomplishments. "Jaycee Week" will be proclaimed in Arlington County by the chairman of the 1978 Arlington County Board and the proclamation will cite their chapter for its "material contribution to the betterment of the community." I understand that members of the chapter will be setting up an informational booth at the Arlington County Courthouse to show our citizens their accomplishments, trophies and awards over the years.

At this time I wish to commend the

board of directors of the Arlington Jaycees for their dedication, loyalty and duty to the community. Under the able leadership of President Richard Hawthorne, the board has developed a theme called "Together We Can," in working together to achieve a common purpose. The members of the board, Robert Pratt, Phillip DiModica, William Meiggs, Emory Hackman, Thomas Cainan, Edward Solomon, Andrew Robertson, Joseph Longerbeam, Jim Hemeon, John Buckley, William Devereaux, Gary Henson, Earl Bird, Richard McCrary, and Butch Cline, are to be congratulated as the entire membership of the chapter is to be also.

ATLANTA AGREEMENT BREAKS CAMPAIGN PLEDGE ON MERIT SELECTION OF U.S. ATTORNEYS

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. DRINAN. Mr. Speaker, during the Presidential campaign last year, candidate Jimmy Carter pledged that U.S. attorneys would be appointed on a merit basis. These officials, who are the chief litigators for the United States in the 94 judicial districts across the Nation, have been a part of the patronage system since their creation in 1789. Consequently Mr. Carter's promise came as a welcomed reform of an important aspect in the activities of the Department of Justice.

With the pressing need for reform and the campaign pledge in mind, I introduced a bill, H.R. 5576, on March 24, which would provide for the selection of U.S. attorneys on the basis of qualifications. It would remove the Senate from the selection process and give the appointment exclusively to the Attorney General. This is the manner in which all other attorneys in the Department of Justice are selected.

On June 22, Attorney General Bell testified before the Judiciary Subcommittee on Courts, Civil Liberties, and the Administration of Justice during its hearings on the state of the judiciary and access to justice. I asked Mr. Bell whether he would support my bill to provide for the merit selection of U.S. attorneys. He responded that "the decision had been made to leave the U.S. attorney selection in the patronage system." Mr. Bell added that "we have an agreement with the Senate if they take the court of appeals judges out of the patronage system we would go along on the other."

This sudden reversal of direction on an important policy matter by the administration came as a very unpleasant surprise. Having pledged to choose United States attorneys on a merit basis, the Carter administration, only a few months in office, decided now to keep those positions "in the patronage system." The precise nature of the "agreement with the Senate" was not specified.

On September 20, I wrote to the New York Times describing the unfortunate change in policy and the broken cam-

paign promise regarding selection of U.S. attorneys. Reading that letter, a constituent wrote to Attorney General Bell on the same day seeking further information about the "agreement" with the Senate. After the passage of several weeks, my constituent advised me of his letter and that Mr. Bell had not yet responded to it. On November 8, I wrote to the Attorney General asking for a response.

Finally on November 17, Associate Attorney General Michael J. Egan responded to my constituent's request for additional information. Mr. Egan stated that "there is no agreement between the Department of Justice and the U.S. Senate such as you describe." That denial of an agreement appeared to contradict what the Attorney General had told the House Judiciary Committee back in June.

To resolve this contradiction, I wrote to Mr. Egan on December 14 asking him to clarify the "apparent inconsistency between your denial of an agreement with the Senate on the selection of U.S. attorneys and Attorney General Bell's admission that such an agreement exists." On December 20, he responded to my letter disclosing information that may be the most astounding revelation in this whole shoddy affair. Mr. Egan stated:

The "agreement" to which Judge Bell referred in the testimony which you sent me was an oral exchange between Judge Bell and Senator Eastland which took place in Atlanta in late December of 1976 or early January of 1977.

It is now clear that the agreement by the Carter administration to allow U.S. attorneys to be chosen by patronage was made within weeks of Mr. Carter's victory at the polls. Even before the inauguration and weeks even before Mr. Bell's own confirmation as Attorney General, the administration was making secret deals contrary to promises leading to President Carter's election. If the people voted for him because of his pledge that "business as usual" would not be a part of his administration, I think the voters now would find this "behind closed doors" agreement shocking.

While merit selection provides its own justification, the choosing of U.S. attorneys has far greater implications than the selection of mere functionaries in the Department of Justice. Many U.S. attorneys become candidates for judgeships and higher office in the Government. Some have used the position to launch political careers on the State level. The position is frequently a stepping stone for advancement. Consequently by continuing the office in the patronage system, the administration in effect is excluding from consideration many qualified persons who are outside the mainstream of patronage politics. The impact on minorities and women is obvious and enormous. In over 200 years of our history, only a handful of them has ever served as U.S. attorneys.

If we truly desire equality of opportunity and if we really wish to open up the Government to all citizens, there are fewer better places to begin than the merit selection of Federal prosecutors. I am greatly disappointed that the Carter

administration has rejected that beginning.

At this point, I insert in the RECORD the relevant correspondence on this subject:

SEPTEMBER 20, 1977.

Re: Congressman Robert F. Drinan letter N.Y. Times, page 40, September 20, 1977, "Of U.S. Attorneys, Merit and Political" Honorable GRIFFIN BELL, Attorney General, Department of Justice, Washington, D.C.

DEAR ATTORNEY GENERAL BELL: In his letter to the editor of the New York Times Congressman Robert F. Drinan quotes you as saying that an "agreement" has been worked out between the Justice Department and the Senate whereby U.S. Attorneys would continue to be hired under a "patronage" system.

May I have from you a copy of the memorandum spelling out the terms of the "agreement" and the identity of the servants of the public who negotiated the same?

Yours truly,

U.S. DEPARTMENT OF JUSTICE, Washington, D.C., November 17, 1977.

DEAR _____: In response to your letter of November 4 to the Attorney General, there is no agreement between the Department of Justice and the United States Senate such as you describe. The Attorney General has stated on many occasions that any new U.S. Attorney appointed by this Administration must be as good or better than the incumbent being replaced. We have applied that test in each case.

Candidates are suggested to us by many people, including Senators and Congressmen, who are likely to know highly qualified individuals in their states who are interested in serving. The Senators, of course, have a constitutional role to play in these appointments through their confirmation duties. Regardless of who recommends a candidate, however, the candidate is screened rigorously and carefully. We have not recommended the appointment of any candidate who we felt was not well qualified to serve and fully capable of performing as well or better than the incumbent being replaced.

I regret that your earlier letter was misplaced. We have not been able to locate it and have no record of it.

Very truly yours,

MICHAEL J. EGAN, Associate Attorney General.

HOUSE OF REPRESENTATIVES, Washington, D.C., December 14, 1977. Mr. MICHAEL J. EGAN, Associate Attorney General, Department of Justice, Washington, D.C.

DEAR MR. EGAN: On November 8, 1977, I wrote to Attorney General Bell asking him when he intended to respond to an earlier letter to him from (name of constituent), who had inquired about an "agreement" between the Justice Department and the Senate regarding the selection of United States attorneys. On November 17, you wrote to (name of constituent) advising him that "there is no agreement between the Department of Justice and the United States Senate such as you describe." (Name of constituent) has kindly sent me a copy of your letter to him.

Your response to (name of constituent) appears to conflict with the testimony of Attorney General Bell on June 22 before the House Judiciary Subcommittee on Courts, Civil Liberties, and the Administration of Justice. When asked whether he favored a bill to provide for the merit selection of United States attorneys, Mr. Bell stated "that the decision had been made to leave the U.S. attorney selection in the patronage

system. . . ." He added that "we have an agreement with the Senate if they take the court of appeals judges out of the patronage system we would go along on the other [patronage selection of U.S. attorneys] . . ." (italic added). I am enclosing a copy of Mr. Bell's complete responses to the series of questions on this issue.

I would appreciate your clarifying the apparent inconsistency between your denial of an agreement with the Senate on the selection of U.S. attorneys and Attorney General Bell's admission that such an agreement exists. Your early response would be greatly appreciated.

With every best wish, I am Cordially,

ROBERT F. DRINAN, Member of Congress.

OFFICE OF THE ASSOCIATE ATTORNEY GENERAL, Washington, D.C., December 20, 1977. The HON. ROBERT F. DRINAN, U.S. Congress, Washington, D.C.

DEAR FATHER DRINAN: I have your letter of December 14th regarding an "agreement" between the Justice Department and the Senate about the selection of United States Attorneys. The "agreement" to which Judge Bell referred in the testimony which you sent me was an oral exchange between Judge Bell and Senator Eastland which took place in Atlanta in late December of 1976 or early January of 1977. There is no written document recording this exchange.

Very truly yours,

MICHAEL J. EGAN, Associate Attorney General.

AMBASSADOR GARDNER ACTIVE IN STRENGTHENING THE TIES OF COOPERATION BETWEEN ITALY AND THE UNITED STATES

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. ANNUNZIO. Mr. Speaker, our country's outstanding Ambassador to Italy, Honorable Richard N. Gardner, recently made a speech at the University of Palermo, in Sicily, in which he reviewed the areas in which the cooperation between our two nations is being strengthened.

The United States and Italy have a long tradition of friendship in addition to the cultural and ethnic ties between our peoples, and it is most important that our alliance with a strong, democratic Italy in NATO is maintained and our economic and political cooperation is increased for our mutual benefit.

Excerpts of Ambassador Gardner's speech follow:

ITALY AND THE UNITED STATES: A STRATEGY OF COOPERATION

(By Richard N. Gardner)

The United States and Sicily have had links since the earliest days of the American republic. Our consulate here dates from the first years of the nineteenth century and was therefore one of the first established by the United States. It gave me much personal delight to learn that one of our first consular representatives in Palermo was also named Gardner.

During those early years our Palermo consulate was of great importance, because one

of the greatest preoccupations of the United States at that time was to work with Sicily and other countries to suppress piracy in the Mediterranean. Later, the naming of Palermo's Via Lincoln was witness to the common longing for human justice and unity which characterized both the American civil war and the Italian Risorgimento. Still later, the electric light was introduced to this city by an American company. This event occurred at the end of the nineteenth century, the period which also saw the beginning of that vast human movement which constituted a second Italian discovery of America—an America in which one out of every nine individuals has ties of earth or blood to this country.

Relations between the United States and Italy must be considered something special. We are closely bound by ties of friendship, culture, kinship and political alliance. These relations, with the exception of a period we can only consider as an aberration, cover nearly two hundred uninterrupted years of peace and mutual respect. This is the tie of friendship.

In building our nation, we benefited from Italian civilization, wisdom and culture. We are indebted to Italy for its contribution to Western civilization, which after all would not have been possible without Italy. These are links that span the ocean, forming a framework of interests, values and principles which bind our destinies in common cause. This is the tie of culture.

If the United States is a great nation today, it is indebted to the more than twenty million Americans of Italian origin who have helped make it so. It was their labors together with all other Americans which took the best from the old and melded it with the best of the new. In our difficult time of Watergate, for example, two great Italo-Americans, Congressman Peter Rodino and Judge John Sirica, played the key roles in defending our constitutional system. Today, Americans of Italian origin are playing an ever growing role in our government—for example, Joseph Califano is our Secretary of Health, Education and Welfare; Midge Costanza is Special Assistant to the President; and there are 34 Italian-Americans in Congress. That is the tie of kinship. As they say in Sicilian: "Tutti semu d'un'acqua tanti ciumi" (We are of the same water different rivers).

In view of these ties, it is not at all surprising that the United States and Italy have joined in common cause with other like-minded nations to create the type of partnership which is the NATO Alliance and which is a model of its kind in the history of relations among nations.

There is full agreement between our two countries on the importance of the North Atlantic Alliance as an instrument which has guaranteed the security of its members, strengthened international stability, and enhanced confidence among nations. In this way NATO has encouraged detente and broader contacts among the peoples of the world.

The American government is well aware that Italy is a key member of the NATO Alliance. While it is true that the military threat to the West remains concentrated on central Europe, the focus of the world's current economic and political difficulties has shifted more and more to the Middle East and Africa. Not only because of her geographic position but also because she is economically the most advanced country in southern Europe, Italy inevitably possesses great influence throughout the Mediterranean region and the area adjacent to it. These developments give added scope and importance to Italy's contribution to NATO and her role as interlocutor between the industrial world and the less developed countries of the southern hemisphere.

From what I have said, it should be clear that the United States attaches great importance to Italy. A strong, democratic Italy working closely with its like-minded allies and friends within the Atlantic framework is a primary interest of both our countries.

Prime Minister Andreotti and President Carter have committed themselves to build on the good relations of the past and shape an even more cooperative relationship for the future. Their meeting in Washington last July launched a series of concrete, practical measures that will yield important benefits to both countries. The essential spirit of this new era of Italian-American relations can be summed up in the phrase "the strategy of cooperation."

The following are some of the central elements in the strategy of cooperation:

The first element is a clear recognition by the Carter Administration that Italy is a key country—a country in the innermost circle of our friends and allies. It is a vital national interest of the United States that Italy be able to resolve its problems while preserving its Western democratic institutions.

The Friuli relief program is one clear indication of the very high priority which the Americans attach to Italy. Congressional action to meet the human tragedy which followed the earthquake was unprecedented in its swiftness. The first American contribution of \$25 million is now bearing fruit as schools and homes for the aged rise among the hills of Friuli. Even more illustrative of the character of American friendship is the recent appropriation of an additional \$25 million. Although the suffering in Friuli is gone from the front pages, the concern of the American people remains.

The second element is the effort to help Italy overcome its difficult economic problems. We strongly supported the Italian government last fall when the International Monetary Fund put together a stabilization program to return the Italian economy to non-inflationary growth. Since the agreement with the IMF was reached in the spring, much progress has been made—inflation has been reduced and the balance of payments has swung into surplus. But much remains to be done. Unemployment is still too high, especially in the Mezzogiorno and among the young. The government faces a major challenge in its effort to reduce the public sector deficit and control wage inflation so that there will be an adequate growth of private investment necessary to create more jobs. This is why we support the Italian government in achieving its full range of stabilization objectives.

The United States has full understanding for the difficulties faced by your authorities in trying to find a balance between inflation and unemployment on one hand and balance of payments equilibrium and growth on the other. Your problem is similar to that which confronts the United States and most other industrial countries. No one has a magic formula to achieve a high growth rate without high inflation. The quadrupling of oil prices in 1973 made this whole conundrum vastly more difficult. Oil importing countries have as a consequence had to restructure their economies to compensate for the higher cost of oil.

Realizing that this cannot be done overnight, the United States has supported a number of projects to help countries like Italy, which rely heavily on oil imports, to finance their balance of payments deficits during the transition period. In particular we have worked to increase the financial resources of the IMF. Our Congress is presently considering and is expected to give early approval to a Supplementary Financing Facility, the so-called Witteveen Facility. This new arrangement would increase the resources of the IMF by \$10 billion. The

funds are to be provided by seven industrial countries and seven OPEC nations. The industrial countries will give \$5.2 billion; of this the U.S. will contribute \$1.7 billion. The purpose of the funds will be to help those member countries with balance of payments difficulties.

The United States also supports another review of IMF quotas. If the present quotas can be increased, member countries will have a greater ability to borrow from the institution.

The high and persistent unemployment, especially among the youth, is a great cause for concern both in Italy and elsewhere in Europe. The United States will be playing an active role in a high-level conference to be held on this subject on December 15-16 under the auspices of the OECD. We hope that this meeting will stimulate innovative ideas for dealing with the problem. But we must face the fact that youth unemployment may result from the slower economic growth rate or from structural factors which will not be easily overcome through a general expansion of business activity.

The United States believes that the industrial countries have no choice but to work together through multilateral institutions and through close bilateral cooperation if these severe economic problems are to be solved.

The third area of collaboration I want to mention to you this evening is directly related to this need for cooperation—it is the acceptance by the American government of the obligation to improve its own economy and to work with others, such as Germany and Japan, for a general expansion of world economic activity. At the London summit in May, the participating governments, which included your own, agreed to certain economic targets designed to give momentum to world economic recovery.

I am happy to say that our policies are beginning to show good results. The American economic growth rate this year will in real terms reach 5.5 percent, higher than that of Germany and Japan. Thus we are doing our best as a "locomotive" economy to encourage a condition of general expansion. Of course, we still have problems. Our inflation rate is too high and our trade balance this year will be in deficit by about \$30 billion....

The fifth area of practical collaboration is also important to the Italian economy: steps to increase American investment in this country. A few weeks ago Treasury Minister Starnati held a round table meeting in New York with the most important banking officials of the United States. He pointed out that what Italy wants is not loans but direct investment.

Only a few days ago with the encouragement of our Embassy, executives from some of the world's largest industrial firms met in Rome under the auspices of Business International. They came here to meet with government officials and political leaders to discuss the opportunities, as well as the obstacles, of doing business in Italy.

This was a private group, holding a private meeting. American companies make their own decisions about where and when to invest abroad. Their decisions are based on their assessment of the strength and stability of a country's economy in the long term and the cost—particularly the labor cost—of doing business in one country as opposed to another. The right climate for foreign investment is of central importance and there is much that the Italian government can do at the national, regional and local level to provide that climate.

The Business International meeting was not expected to produce specific investment commitments. But I hope that those executives visiting Rome were impressed, as I am, with the progress so far of the Italian government's stabilization program and with its determination to achieve non-inflationary

growth. I further hope that some American companies will therefore decide that Italy is a good country in which to invest. . . .

The seventh area of cooperation which I want to emphasize is the area of cultural and educational exchange. Prime Minister Andreotti and President Carter have launched a program of reciprocal assistance under which Italy will assist us to strengthen Italian language and Italian studies programs in American schools and universities while the United States will help improve English teaching and American studies programs in Italy.

Our two governments are also encouraging an innovative venture in the private sector through which a consortium of American and Italian banks and industrial firms will establish a loan fund to finance graduate studies by qualified Italians in the United States and by qualified Americans in Italy on subjects of importance to our two societies.

These seven practical projects are just some of the cooperative ventures which the American and Italian governments have launched in recent months. There will be others. I see my principal task as Ambassador as one of working with your government to bring these projects to fruition.

The strategy of cooperation has already been well symbolized by the unprecedented number of visits which Italian and American government officials have recently exchanged:

President Carter's Special Trade Representative, Ambassador Robert Strauss, met with your Prime Minister and other government ministers to discuss world trade problems.

Defense Secretary Brown came to Rome in October to discuss defense questions with the Italian government.

Treasury Secretary Blumenthal came to Rome in October to meet with the Prime Minister and other government officials to discuss international economic issues and developments in the American and Italian economies.

Andrew Young, the American Ambassador to the United Nations, visited Rome in November to discuss a wide-range of international questions, particularly those relating to North-South issues and the situation in southern Africa.

The American Secretary of Agriculture, Bob Bergland, came to Rome in November to attend the Conference of the Food and Agriculture Organization and to discuss agricultural cooperation with Italian government officials.

Finally, the Secretary for Health, Education and Welfare, Joseph Califano, met ministers in the Italian government to discuss cooperation in health, education and related matters. During his visit, he signed two important bilateral agreements. The first will enhance and expand cooperative efforts in health and medical science. The other will lead to closer coordination in providing pension protection to those who have worked in both countries.

On the Italian side,

Foreign Minister Forlani went to New York to attend the United Nations General Assembly and to hold bilateral discussions with Secretary of State Vance and other American officials.

Minister of Health Dal Falco visited Washington to hold meetings with Secretary Califano, a number of members of Congress and experts in the field of drug abuse and mental health.

Treasury Minister Stamatì attended the annual meeting of the IMF and IBRD in Washington and also held bilateral discussions with the Secretary of Treasury and other senior American officials on world economic developments and the Italian economic situation.

Minister of Posts and Telecommunications Colombo visited the United States in October to meet with senior officials in Washington and to lead a large Italian delegation of

government and industry officials to discuss the telecommunication industry in the United States and to attend the INTELCOM meeting in Atlanta.

And other high-level visits are now in prospect.

The Italian-American relationship has flourished now for more than 200 years. This record of friendship, however, should not make us complacent; we can take nothing for granted. We must work to make that fruitful history of cooperative endeavor continue to grow and prosper. As a great Sicilian poet and Nobel Prize winner said:

"Ognuno sta solo sul cuor della terra—traffitto da un raggio di sole: ed e' subito sera."

While as individuals we are perhaps alone on this earth, it is our common duty to see that as nations we do not stand alone. Together we must make the most of our brief moment in the sun to ensure the freedom and the prosperity of future generations in this island, in our two countries and in the wider world beyond.

KEEP FLAME BURNING FOR RELIGIOUS FREEDOM

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. EILBERG. Mr. Speaker, earlier this month WCAU-TV in Philadelphia broadcast an eloquent message that should be of interest to all of us in this holiday season.

In conveying its wishes to the Jewish community during the days of Hanukkah, WCAU pointed to this holiday as a symbol of religious freedom for people everywhere. The message, I believe, is universal, and has a great deal of meaning at a time when mankind's liberties are threatened by so many forces around the world.

Mr. Speaker, I offer for the RECORD the December 4, 1977, text of this televised editorial by John O'Connor, editorial director of WCAU-TV in Philadelphia:

EDITORIAL

Long ago there was a Greek. He was Alexander. And he was called "The Great." When he died, his Hellenic empire was carved up, and his Syrian inheritors forbade Jews to practice their faith, or to teach it.

The Syrians desecrated the temple in Jerusalem and began a policy of religious genocide.

But up from the Jews rose a man called "The Hammer." He was Judas Maccabeus. He rallied the Jews to a war of liberation. Outnumbered, Judas Maccabeus whipped the Syrians and purified the temple.

The ancient Jews celebrated. They called the festival Hanukkah, a feast of lights and joy, a feast observing the right to religious and cultural freedom and identification.

In our own times Jews mournfully recall attempts to wipe out that religious and cultural freedom.

The Nazi atrocities of the 30's and 40's culminated in the death camps. But the death camps did not kill Jewish faith. Jewish survivors continue to light the candles.

Today the ancient land of Israel remains threatened by Syrians. Today, Jews in the Soviet Union suffer religious persecution. Yet now, they light their candles.

The Management of WCAU-TV joins with Delaware Valley Jews in their observance of the Feast of Lights. Others, besides Jews, must realize the importance of religious freedom. We hope, they, like we, will join the descendants of Judas Maccabeus and keep the burning flame.

RESCUING THE SOCIAL SECURITY SYSTEM

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. GILMAN. Mr. Speaker, on December 15, 1977, the House voted to rescue the social security system from the imminent threat of financial collapse.

The urgent need to stabilize the social security trust fund is undisputable. Passage of the conference report on H.R. 9436, the Social Security Financing Amendments of 1977, was of paramount importance to insuring the fiscal soundness of a system in which tens of millions of Americans have faithfully placed their reliance.

Moreover, by acting now to assure the integrity of the social security system, we have met the problem head on while there was still time to formulate effective and fair solutions to the deficiencies and inequities currently plaguing the social security system.

Solutions to problems of exceedingly great magnitude are often without universal support. There were no easy solutions to the problems that have been steadily intensifying within the social security system. Moreover, there were no easy solutions on the horizon; only more difficult, more costly options which I fear Congress would have been forced to indiscriminately grasp at in desperation.

The social security legislation the House has passed, however, according to the prudent and well-researched estimates of the House Ways and Means Committee, "puts us in a surplus position in social security of the next 25 years." A "no" vote on this legislation, as committee Chairman AL ULLMAN well articulated, "is a vote for the insolvency of the social security fund."

In supporting this measure, I sought to strengthen the financial foundation and infrastructure of the social security system so that the future weight of tens of millions of additional Americans will not cause the entire edifice to come crashing down.

Passage of this measure allows us to:

First, strengthen the financing provisions of the social security system by adjusting tax rates, which are to be shared equally by employer and employee, from 6.13 percent in 1979 to 7.65 percent in 1990 and after. Adopting this provision obviates the threat of raiding this Nation's general revenue fund when social security trust funds would fall below a certain level. General revenue financing would seriously erode the "earned right" philosophy upon which the social security system is predicated.

Moreover, it would impair congressional ability to keep tabs on the income and outlays of moneys associated solely with social security programs.

Second, provide, by raising the earnings limitation from the current \$3,000 to \$6,000 in 1982, productive senior citizens, willing and able to work, the opportunity to keep more of their hard-earned dollars while still retaining their social security benefits. While the bill eliminates in 1982, this earnings limitation for beneficiaries over age 70, I favored, and supported—as is reflected in legislation I introduced—elimination of this earnings ceiling for all eligible recipients over 65.

Third, reduce the undesirable impact of wage and price fluctuation on the system's benefit structure (through the process of "decoupling").

Fourth, provide for the undertaking of a major study (containing recommendations for legislative initiatives) on the effects and benefits of extending coverage to Federal, State, and local government employees.

Fifth, eliminate certain benefit differences based on the sex of the eligible recipient.

Sixth, shore up the social security disability claims system by providing permanent status as administrative law judges to the current and effective corps of temporary hearing examiners.

Seven, provide, through adoption of a Senate initiated amendment, a one-time payment of \$187 million to States for immediate relief from ever-escalating welfare costs. This provision recognizes the fiscal plight of one of our hardest pressed States, New York, and provides that State's city and local governments—currently shouldering an inordinate welfare burden—assistance approximating \$28.3 million.

I might emphasize that this new legislation is equitably grounded in the fact that while future social security taxes will rise, our hard fought battle has been won to assure that these taxes will be shared on a 50-50 basis between employer and employee—and not as some had proposed, at an unfairly higher rate by the employer.

The more than 33 million (1 in 7) Americans currently receiving social security benefits, as well as additional Americans relying in the future on the availability of their hard-earned funds channeled into the social security system, are now assured that the window of the social security trust fund will remain open, and their rightful benefits accessible.

Those voting for this social security reform measure, fully realized that a "no" vote on this legislation would, on the surface, have met with widespread approval as a vote to hold the lid on taxes. However, anyone seriously examining this issue recognizes that legislation less powerful and comprehensive would not have been equal to the deeply rooted troubles currently pervading the social security system.

By acting now, Congress has utilized the opportunity to consider and pass a

well-reasoned, far-reaching, efficacious program to restore the financial integrity of the social security system.

By shunning procrastination and recognizing the importance of seizing this opportunity now, Congress has avoided the unattractive likelihood, otherwise down the road, of presiding as a receiver in bankruptcy of this Nation's social security system.

PERSPECTIVES: POLISH, YES;
POLICIES, NO

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. DERWINSKI. Mr. Speaker, it is my policy when inserting items into the Record to point out the perspective from which the columnist presents his views.

In this regard, I wish to insert a very pertinent column by Alex R. Seith. It is especially important to note that Mr. Seith is an acknowledged expert of the Democratic Party in the field of foreign affairs. He has served on that party's national platform committee, and was an advisor on the foreign affairs plank at the Democratic Convention. He has also been very active in well-known organizations dealing with international relations. In addition, Mr. Speaker, Mr. Seith is the Democratic candidate for U.S. Senate in the State of Illinois.

In his recent column appearing in the Suburbanite Economist Newspapers, serving Cook County, Ill., Mr. Seith discusses his views on the administrations' foreign policy as reflected by National Security Adviser, Zbigniew Brzezinski. The article speaks for itself: [From the Cook County (Ill.) Suburbanite Economist Newspapers, Dec. 18, 1977]

PERSPECTIVES: POLISH, YES; POLICIES, NO
(By Alex R. Seith)

Don't get me wrong, I've got nothing against Zbigniew Brzezinski's Polish ancestry. But I do have something against certain of his policies. If that seems obvious to most readers, it was not clear to all.

"You criticize recommendations of Zbigniew Brzezinski," a reader wrote last week. "Is that because he is Polish?" The reader continued, "Would you be happier if he were Jewish, like Henry Kissinger?"

Maybe the reader thinks I'm Jewish. Well, I'm not. And apparently the reader suspects I'm anti-Polish. Again, I'm not.

On the contrary, Professor Brzezinski's Polish background is, in many ways, a great asset which I welcome in the President's foreign policy advisor. Having been born in Poland and forced to leave because of Nazi and Soviet invasions, Brzezinski has a deep personal hatred of dictatorship, both Fascist and Communist. It has helped shape his commitment to human rights and given strength to his desire to loosen the grip of the Soviet Union on Eastern Europe.

As a professor at Columbia university and director of Columbia's Russian Affairs Institute, some of Brzezinski's writings were notable in spotlighting Moscow as "a bad actor" on the world scene.

But as national security advisor, Brzezinski seems to have forgotten some of his own earlier writing about Moscow's disruptive role in world affairs. Twice in the past few

months, this column has criticized White House advisor Brzezinski for policies towards the Soviets which seemed directly at odds with the misgivings of Professor Brzezinski.

Take the most recent example: In October the President—based on Brzezinski's advice—issued a joint declaration with the Soviets proposing to convene a Mid-East Peace conference on radically new terms. The declaration was doubly wrong: because it was made and because of what it said.

By bringing the Soviets into that kind of "up front" role, the declaration gave Moscow an influence role it had not previously enjoyed. This "up front" role for the Soviets was something which a wide range of foreign policy experts have repeatedly considered—and rejected. From 1974 to 1976, as deputy chairman of the Democratic party's Foreign Policy Task force, I heard the private debates in which many of these experts explained in convincing detail why the Soviets should not be elevated to equal status with America in the Mid-East.

Bolled down, the basic reason was that the Soviets are out to create trouble, not peace. The last few days have again shown that fact. The Soviets have used their influence in some Arab countries not to promote peace but to foment hostility. They have backed those who denounce Anwar Sadat as "a traitor" and call for his assassination.

Considering Brzezinski's well-founded hatred of Soviet influence in Eastern Europe, it is hard to understand his support for a joint declaration which tended to build up Soviet influence in the Mid-East.

It was also hard to understand Brzezinski's apparent willingness to acquiescence in possible Soviet influence in Western Europe. Last August, this column commented on then current reports that Brzezinski had authored a Presidential Review memorandum which recommended a U.S. policy of doing little or nothing if Soviet or Soviet-backed armies invaded West Germany.

The memorandum proposed that instead of preparing to fight off such an invasion, America be prepared to talk about it. If the Soviets grabbed a piece of Western Europe, America might be able to embarrass them into giving it up, Brzezinski proposed. Brzezinski well knows that the Soviets have not been talked out of East Europe because of embarrassment. Why did he think they could be talked out of West Europe because of embarrassment?

Happily, outraged cries from West European allies and members of Congress plus the President's own good judgment prevented the memorandum from becoming policy.

So, to underscore my view, when this column criticized Brzezinski's encouragement of, or acquiescence in, greater Soviet influence, the criticism was not because he is Polish. Instead, precisely because he is Polish, he should have known better.

SMALL STEPS TOWARD BETTER
GOVERNMENT

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for December 1977 into the CONGRESSIONAL RECORD:

SMALL STEPS TOWARD BETTER GOVERNMENT

Most of the talk in these final days of this session of the Congress is on energy, social security, abortion, the Middle East, and the

economy. But some less publicized events have also been significant, and several have caught my eye, encouraging me to think that the battle for a government that works better can yet be won. These are the events:

1. The Labor Department announced that it will stop enforcing 1100 "nit-picking" job safety rules, ranging from design specification for toilet seats to the permissible size of knotholes in the siderails of stepladders. The safety of workers simply was not threatened by hundreds of these OSHA rules, and the pruning of them is a step toward common sense and intelligently focused enforcement. Further streamlining efforts will be made to get rid of silly, outmoded and misdirected rules that do not contribute to the safety of workers.

2. Congress is beginning to question the advantage and the cost of private consultants to U.S. agencies. The almost \$2 billion a year now spent by government for consultants is plainly excessive. Computer systems are being designed to keep track of all of the consultants employed by government. Under new rules issued by the Office of Management and Budget, consultants are not to be used to bypass personnel ceilings or pay limitations. There is a continuing need for the prudent use of consultants to provide independent judgment on government programs, but many of the consultants' reports are duplicative and unnecessary, like the report of the consultant who, when hired to find out how to cut the cost of poultry inspections, advised the Department of Agriculture to speed up the rate of inspections.

3. President Carter intends to eliminate some 40% of the government advisory commissions, which advise the federal government in virtually every area of policy-making. Over 1100 federal advisory panels now exist and the elimination of almost 500 of them through merger and termination will save money and streamline government. The President will have my full support in this effort.

4. War is being waged on the gobbledygook that the federal bureaucracy puts out in the form of rules and regulations. It will not be easy to turn the 140 volumes, the 70,000 pages, and the book-length sentences of federal regulations, into plain and simple English, but the attempt to try strikes me as a noble exercise. The task is to clear away the impenetrable linguistic sludge that passes for communication in millions of government documents.

5. The federal government is beginning to work on the most comprehensive review of the civil service system ever undertaken. At this early date no one can predict whether the effort will succeed and it will certainly not happen quickly. It surely makes sense to have a civil service system in which federal agencies can hire qualified candidates, without first having to cut through time-consuming red tape, and in which agencies can demote or fire incompetent workers without facing years of appeals, and in which salaries correspond with performance rather than longevity.

6. After decades of rising pension benefits to public employees, federal, state and local officials are beginning to try to defuse the time bomb of massive pension indebtedness. For too long government has passed a pension benefit today and worried about the cost tomorrow. But tomorrow is today now. The costs are here and they cannot be passed on. Efforts to reform these pension systems will take many years, but it is encouraging to see all levels of government coming to grips with the rising costs of pensions and the problems that will come in the future if corrective steps are not taken now.

7. The Commission on Federal Paperwork has made over 770 recommendations which, taken together, are a blueprint for action to enable the federal government to serve the American people more efficiently by eliminating unnecessary paperwork. Almost half

of the recommendations have already been implemented. Much paperwork is necessary but some of it is unnecessary, and billions of dollars in actual and psychological costs can be saved if the wall of paperwork that has been erected between the government and the people can be lowered.

So as the Congress completes its work for 1977 and begins to prepare for the new year with many of the nation's most difficult problems unresolved, I take a small measure of encouragement from steps of less than cosmic significance which nevertheless show some steps toward a government as efficient and effective as people want and deserve.

JOSEPH D. DUFFEY, NEW CHAIRMAN OF THE HUMANITIES ENDOWMENT

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. BRADEMAS. Mr. Speaker, in October 1977, Joseph D. Duffey was sworn in as the new Chairman of the National Endowment for the Humanities by Vice President WALTER F. MONDALE.

On that occasion, Mr. Duffey called on a distinguished group of Americans to share with the Nation their personal conceptions of the humanities. Those who spoke were Isabel Charles, dean of the College of Arts and Letters at the University of Notre Dame; Robert Coles, psychiatrist and author; G. Alexander Heard, chancellor of Vanderbilt University; and M. Carl Holman, president of the National Urban League.

Mr. Speaker, at this point I insert in the RECORD the remarks of these four individuals and those of the Vice President given at the swearing in of Mr. Duffey:

REMARKS OF VICE PRESIDENT WALTER F. MONDALE

I am very glad to be here this afternoon to swear in Joe Duffey as the new Chairman of the National Endowment for the Humanities and to announce that the President has named him to head the Federal Council on the Arts and Humanities.

Joe Duffey is a man of many accomplishments. A native of West Virginia, Joe is a scholar, a teacher, a minister, and—most important of all—a man whose public career gives strength to all those who raise moral voices in our political system.

The Humanities Endowment needs Joe Duffey's leadership, and the Administration is proud to name so distinguished and qualified a man to such a special federal agency.

For the Humanities in America are not merely academic disciplines. History, philosophy and literature cannot be the province of the few in any democratic society. The best thinking of our best minds must be available to all who wish to share it.

That is why the Humanities Endowment must seek out and assist the best scholarship in America today.

And that is why the Humanities Endowment must lead the search for new ways to share the lessons of our scholarship ever more widely.

Those who say that politics and culture do not mix have missed an important point about both disciplines. No serious student of these issues has ever suggested that aesthetic or academic questions should be decided by politicians or bureaucrats.

Our social and political system has always demanded—and provided—a vigorous, private cultural system. And it is the role of

the federal government, through our two Endowments, to strengthen that private system without imposing on it any ideology other than openness.

This delicate role implies a commitment to two principles: quality and access.

First, both Endowments must be dedicated to the search for quality, however difficult, complex or unpopular that search may become. It is not an easy process, nor should it be. Decisions about quality must be insulated from political considerations, and our two National Councils and Endowment panels have successfully defended that view over the last decade.

But at the same time, these decisions about quality are public decisions, and they must be arrived at publicly by groups which are representative of our whole culture.

Second, both Endowments must be committed to increasing access to our cultural life for all those who wish to be part of it. The federal government has no more important role in this area than assuring that the arts and humanities are available to as many Americans as possible.

This too is a difficult and costly commitment, but it is the central purpose of our system. For while many societies in history have produced great scholarship and great art, no society has shared them both as widely and as openly as our own.

In this first year of our Administration, my wife Joan has travelled to every part of this country and come home to tell me of people and groups who are making that standard real, many of them with help from the Endowments and other federal agencies.

Today there is no lack of vigorous scholarly and artistic work in America. And there are literally thousands of projects underway to bring that work the widest possible audience.

Our cultural system is not without problems. Our universities, museums and arts institutions face deficits; new groups seek access to the system; writers and artists face economic problems as intractable as any in our society.

But the problems that we face, difficult as they may be, are the problems of a healthy cultural system adapting to change.

We have tried in the first months of the Administration to spotlight these problems. We have worked to give consideration of cultural issues in the Administration the high level of priority they deserve.

Today we celebrate the appointment of a new Humanities Chairman. Soon we will install a new Chairman at the Arts Endowment. This fall we will undertake a review of all federal cultural programs in which the two Endowments will have a major role. We expect this review to provide policy recommendations for the future direction of cultural programs, and we look forward to the advice and counsel of many who are present today.

So it is a pleasure to swear in Joe Duffey today and to wish him well as he undertakes his responsibility to, as he said himself, "communicate a sense of our civilization."

REMARKS OF ISABEL CHARLES, DEAN OF THE UNIVERSITY OF NOTRE DAME COLLEGE OF ARTS AND LETTERS

(Dean Charles, a literary critic, teacher, and administrator, is known for her critical assessments of the American author, Willa Cather)

I am particularly happy to join you this afternoon for the swearing-in ceremony of Joseph Duffey as Chairman of the National Endowment for the Humanities, not only because my own academic background has steeped me in a love of the humane values fostered by the Endowment, but also because I come from a university whose president and a state whose lawmakers have long championed the humanities.

THE HUMANITIES IN AMERICAN SOCIETY

By its very nature this ceremony focuses on the future of the National Endowment for the Humanities. Under the leadership of Joseph Duffey I see the role of this agency growing in its impact on American society. And I see this growth as a compelling need in a period of financial stringency, when the minds of many—young and old, learned and unlearned—turn primarily toward vocational education and pragmatic concerns. In these very times—even unknowingly—men's spirits grow restless with hunger for riches such as only the humanities can give. Active, vigorous programs sponsored and nurtured by the National Endowment for the Humanities can fill this need in a creative, far-reaching fashion.

What means can I, as an educator, suggest to fulfill this awesome responsibility? First of all, I believe that the excellent work now carried on by National Endowment in its research, fellowships, education, and public programs divisions must be expanded and improved by judicious examination of their relationships to the goals enunciated by Mr. Duffey in his senate hearings statement of September 9, 1977. Realistically, such expansion demands a better balance between the funding for education and research in the National Science Foundation and that allotted to the comparable areas of the National Endowment for the Humanities. Scientific research has a long history of support by industry, a support which the equally important work in humanities does not share. Perhaps public dollars might more wisely be spent equalizing such imbalance.

SUPPORTING HUMANISTIC PROGRAMS

Secondly, I would like to single out for special comment Mr. Duffey's stated goal to encourage "a partnership between the State humanities organizations and the Endowment." This strikes me as a vital step in assisting the agency to influence a growing number of American lives. Stronger state-based programs, I believe, can produce mechanisms which will give recognition to quality humanities resources and to the varied needs of a broader spectrum of American colleges and universities than has been evidenced in the past, thereby insuring a wider distribution of NEH Project and Program funds.

Further, state-based committees should be encouraged to take advantage of new opportunities to support educational, research, and cinematic projects as well as the now traditional public discussion programs. In addition, the formation of regional humanities organizations wherein information and resources can more easily be shared and common problems identified will make interaction with the NEH Washington office more efficient and effective.

EXPANDING THE ENDOWMENT'S SUPPORT

In conclusion, let me make brief mention of just a few more aspects of the Endowment's work I hope to see flourish within the next few years: the development of more quality mass audience presentations (such as the *American Short Story Series*) in order to challenge the present near-monopoly of the BBC over the great cultural events brought into our homes by public television; the expansion of the present program of subsidizing through University Presses the publication of humanities research projects supported by NEH to include the publication of meritorious non NEH-supported humanities research; efforts to assist in the development of mechanisms or procedures whereby the participation of academic humanists in NEH public programs will receive appropriate recognition by university and college reward systems. Other suggestions could be added, but I will leave the work in the hands of Mr. Duffey and his fine staff.

REMARKS OF ROBERT COLES, PROFESSOR AT HARVARD UNIVERSITY

(Professor Coles, a psychiatrist, educator and author, is known for his Pulitzer Prize winning series of books about children, *Children of Crisis*)

The humanities were once regarded as "polite learning": the study of grammar, rhetoric, and especially, the classics. We could do worse than encourage such study among our young—so many of whom badly need to know how to write clearly, logically, coherently; and badly need to understand what Socrates kept reminding his students: that the truly wise person knows, among other things, how little he or she knows, how much remains to be learned. It is a sad day, our day, that brings a declining adequacy with the English language on the part of many school children, along with their constant exposure to the crudities of certain television programs, not to mention the idiotic and pretentious social science jargon that has worked its way into various "curricula."

MAKING SENSE OF OUR WORLD

Our lives in 20th century America are dominated by the natural sciences; every time we turn a light switch, get into a car, receive penicillin, we silently acknowledge the influence of engineers, physicists, chemists on our everyday assumptions. The so-called social sciences, on occasion prematurely, have tried to follow suit—tell us that they, also, have begun learning how to master at least some realms of the universe: psychological and sociological riddles, as opposed to those posed by organic and inorganic matter, or the distant constellations of stars. Still, it has not been altogether a blessing for America's sectarian culture—this technological mastery enabled by the natural sciences, coupled with the increasing conviction of social scientists that our habits and thoughts will soon enough yield to one or another interpretive scheme. Kierkegaard's 19th century grievance—that the increased knowledge of his time enabled people to understand, or think they would soon understand, just about everything, except how to live a life—might well be our complaint as well. We have our hands on the energy of the atom; we have dozens of notions of why people do things as they do; but many of us have forgotten to ask what we really believe in, what we ought try to be, in contrast to do.

The natural sciences offer us much needed answers, solutions. The social sciences, now and then, offer us helpful explanations—along with, occasionally, a good deal of dreary, pompous, overwrought language. The humanities, in the hands of some, can also come down, finally, to precious, bloated and murky prose. But the humanities at their best give testimony to man's continuing effort to make moral, philosophical, spiritual sense of this world—to evoke its complexity, its many-sided nature; its ironies, inconsistencies, contradictions and ambiguities. The humanities begin, for a scientist, when he or she starts asking what a particular fact or discovery will mean for those who want to comprehend the obligations, the responsibilities of citizenship—the possibilities and limitations a great society presents. The humanities come into play, for a social scientist, when he or she starts wondering what some observation or theoretical construct or piece of data tells us about, ironically, himself or herself—the person who has made a discovery, who lives (one hopes) with and by some larger vision of things.

MANAGING ONE LIFE

I would like, for help, to call upon an American factory worker I've come to know these past years. The scientist (physician) in

me has tried to contend with the illnesses that have afflicted him and his wife and children. The social scientist in me (a psychiatrist doing so-called "field work") has tried to comprehend how a man manages the various stresses imposed by a tough, demanding, exhausting assembly-line job. But there is in this person the stuff of the humanities, and I only hope I am sufficiently responsive to, respectful of, what he has to say: "I feel good on the way to work. I leave the house early. It's the best time of the day. I see the sun come up. I do some thinking. Once I'm on the job, I have no time to think of anything; it's go, go, go—until I punch that card and leave. But on the road to my job I stop and ask myself questions. I mean, you want to have something to aim for; you want to believe in something. My oldest boy, he's starting college this September, the first one in our family to get that far. I told him—I said: get the best education you can, and it'll help you live better, and you'll get the respect of people; but don't forget to keep your common sense, and don't forget what life is all about."

"Sometimes, I think there's nothing to believe in, except the almighty dollar—and a little influence, that always helps. Sometimes, I see people behaving real rotten to other people, and I remember the wars in my lifetime, and I think of the troubles all over the world, and I think back to my father, and how he couldn't find a job when we were kids, and my mother being upset for him, and for us, and I remind myself of what a lousy life it still is for most of the people on this earth—well, I can get real low. But for all the trouble my family has had, and the world has had, I guess I'm lucky, because I don't stay down there in the dumps too long. I stop and say to myself that life may be a big mystery, like they tell you in church, but there's your family to hold on to, and the future your kids will have."

"My little girl, she's eight years old; she asked me the other day if God pays attention to every person, and if He does, where does He get the time, and does He have the patience, or does He get tired? I told her it's not for me to know how God does His job, but I'll bet God thinks each grown up person should have a job, and should look after a few people, and try to pitch in—to help people who are in trouble. My wife and I have always tried to teach our children to be good and kind. I don't believe in church on Sunday and let the Devil run the show the rest of the week. I don't believe in talking to your children about God, and then teaching them to be cut-throat artists. I tell my children to stop themselves every few days, and look up at the sky, and listen to their conscience, and remember what they should believe in: give out as good as you want to get."

"That was my father's philosophy of life. He didn't have a lot of material things to give, but he had himself—a big person he was; and he was always there to make us think twice before we stayed mean too long, and he was always there to make us realize the world doesn't circle around us. My wife says it's a real stroke of luck, to be alive, and living in this country, and not a lot of other places, and I'll tell you, people ought to stop and say yes, that's right, and yes, I'm here, and I'm going to give of myself, the best I know how—and maybe tomorrow, I'll find a way of being a better person. You try to think about this life, and what you owe it, and you try to get your kids to think about this life, too, and what they owe it."

THE HUMANITIES IN ORDINARY LIVES

His reflectiveness, his effort at detachment and introspection, in the midst of the press of everyday life, his struggle for decency and integrity and generosity, in the face of, inevitably, self-centeredness (the sin of

pride), with all its attendant psychological mischief, ought qualify him, as much as anyone else in this land, as a *humanist*—a person who, often enough, draws upon and contributes to the tradition of the humanities. The humanities belong to no one kind of person; they are part of the lives of ordinary people, who have their own various ways of struggling for coherence, for a compelling faith, for social vision, for an ethical position, for a sense of historical perspective. The Foxfire tradition, now part of this nation's cultural life, has revealed how earnestly, seriously and conscientiously so-called "plain people" work to keep alive received values and ideals. When a north Georgia high school English teacher, Eliot Wigginton, started asking his students to leave the classroom upon occasion, he did so because he wanted to enrich learning, not dilute it.

Over a century ago, in Oxford, England, no less, Matthew Arnold urged novelists, poets and critics to become actively engaged in social, economic and political affairs—to bring their kind of sensibility to bear upon "the things of this world." He didn't have to send such a message to his contemporaries Charles Dickens or George Eliot; they kept their eyes carefully focussed on the world, and through their fiction held up a mirror to an entire nation. George Eliot, as a young woman, was constantly letting herself learn from the rural English people she would later write about so knowingly. Here at home, William Faulkner made it his business to spend long hours with his fellow townspeople of Oxford, Mississippi—watching their habits and customs, hearing their stories, learning from them as well as sharing their news (and their bourbon). Where does the "real" Oxford end and the "made up" Yoknapatawpha begin? Of course, Faulkner was an imaginative artist, a man who made brilliant use of his mind's dreams and fantasies. But he came home every day from his "field-trips," they could be called, a rich man; he had been willing to be taught by his neighbors, and as a result had a lot to draw on as he sat at his desk writing.

THE DIVERSITY OF HUMAN WORTH

The humanities demand that we heed the individual—each person worthy of respect, and no person unworthy of careful, patient regard. The humanities are blues and jazz; gospel songs and working songs; string quartets and opera librettos; folk art and abstract impressionist art; the rich literary legacy of 19th century Concord, or of the 20th century South; the sayings and memories and rituals of countless millions of working people; the blunt, earthy self-justifications and avowals of desperate but determined migrant mothers; the wry detached stories handed down on Indian reservations, in Eskimo villages, generation after generation; the cries of struggle and hope of Appalachia's hollow people, put into traditional ballads and bluegrass music; the photographs of Lewis Hine and Walker Evans and Russell Lee—ourselves presented to ourselves; the confident, qualified assertions of scholars; the frustrated, embittered social statements of ghetto teachers (or children), who at all costs want to get a grip on this puzzling, not always decent or fair world. The humanities are the essays and the novel, *Invisible Man*, of Ralph Ellison, so full of a writer's determination that race and poverty, still cruelly significant to a person's destiny, nevertheless are but partial statements—never enough to rob a person of his or her particularity; and the humanities are the essays and novels of Walker Percy, so full of wit and wisdom and shrewd moments of social analysis. The humanities are also the remarks of the New Orleans suburban people, the Louisiana bayou people Dr. Percy knows, learned from—remarks worthy indeed of being recorded, transcribed, added to an ("oral") literature; and too, the humanities

are the musical sounds, the strong, spoken vernacular Ralph Ellison has in his writings taken pains to remind us of.

The National Endowment of the Humanities should, in its acts of encouragement, strive to do justice to, and to document the richness, the diversity of cultural life in a nation whose people are not, many of them, afraid to say what is on their minds as well as sing or draw or paint or write what is on their minds, and thereby, in sum, cast penetrating, knowing, critical judgements on what is happening in the world—judgements that ought to be put on the record, so to speak; that is, be acknowledged as part of America's cultural tradition.

REMARKS OF G. ALEXANDER HEARD, CHANCELLOR OF VANDERBILT UNIVERSITY

(Mr. Heard has held the post of Chancellor of Vanderbilt University since 1963, and for the past six years has been chairman of the board of trustees of the Ford Foundation)

Mr. Chairman, members of the Council, ladies and gentlemen: Joe Duffey has the felicitous best wishes of us all on this happy day, and so do this Council and the National Endowment for the Humanities. We ourselves should feel great satisfaction and hope in the renewed promise that these exercises symbolize.

THE SPIRIT OF HUMANITY

I embrace the uncomplicated notion that "humanities" are studies and concerns that center on purposes, spirit, and communion among human beings—in contrast to other targets of 20th Century attention in the realms of matter, animate or inanimate. We can define such things however we wish. Time usually alters the definitions and they always ravel a bit at the edges anyway. But immediate and ultimate urgencies are joined in the human race's need to control the perils that its attainments in other spheres of investigation, thought, and originality have wrought.

Neither individuals nor nations can ever have full, literal equality of station, or achievement, or even of opportunity. Nor can forces outside of individuals, their groups and nations, guarantee the conditions and satisfactions that beget wisdom, justice, and equanimity. The record is clear that spectacular insights and creations in science, and their applications, have brought much ease, variety, and richness to our personal and community lives. They have also freighted social institutions and individual humans with burdens of choice and stress they could not bear. Streets of Gold do not alone make a Promised Land.

HUMAN NEEDS

Humans require the poise and strength that derive from inner certainties, or at least inner probabilities. They require the hope that comes from comprehensive awareness of the human record, and of subtle and subjective features, as well as of observable and objective characteristics, of the human condition.

Individuals require a sense of becoming—a sense of opportunity, of motion toward whatever constitutes a better life for that person in his or her circumstances, whatever the measurable objective level of those circumstances.

Individuals also require a sense of justice, or of properness, that they understand, both as to the external structure of society and as to the legitimacy of one's place in it.

These human beings also need a sense of pride in belonging to a larger worthy group than a group of one, to a larger worthy cause than solely one's own welfare.

UNDERSTANDING OURSELVES

These sources of equanimity that I ascribe rest on assumed preferences: for non-violence and peace over violence and war; for order over chaos; for liberty over restraint;

for government by consent. A sense of becoming, of justice, and pride are subjective conditions not necessarily connected with Gross National Product, or average per capita national income, or other numerical social and economic indices. They are, however, connected with opportunity and personal freedom.

The National Endowment for the Humanities has unique opportunities, and hence affirmative obligations, to foster understanding by human beings of themselves, of their whole selves. From such understanding come moral sensitivity, taste, and wisdom in choosing values, and strength in asserting them. A world more humane and beautiful for all can be our future. I join Joe Duffey's many friends in wishing him and his associates grace, good fortune, and much success.

REMARKS OF M. CARL HOLMAN, PRESIDENT OF THE NATIONAL URBAN COALITION

(Mr. Holman, a former staff member of the U.S. Commission on Civil Rights, is a poet, editor, author, professor and civil rights leader)

Like many you will encounter in the months to come, I have some special pleas to make. As a depression child living in what some of us did not realize was a slum, I heard Puccini over one back wall, Louis Armstrong over the other; played hookey from a strict Methodist church to traffic with tambourines and twice-born evangelists; lagged behind in the singing silence of the art museum and made the 14th Street Public Library a second home; passed through a door opened by Walter Damrosch to Golschmann and the Saint Louis Symphony, the sound of Latin and French in the Halls of Vashon High, and introductions to magicians and itinerant troubadors like Langston Hughes, Ethel Barrymore, Roland Hayes, Paul Robeson, James Weldon Johnson, and to the new worlds illuminated by gifted teachers at Lincoln in Missouri, at Chicago and Yale. I am, therefore, somewhat conditioned against sterility and at war with all who would deny proper nourishment to those already stunted by junk food diets.

THE USEFULNESS OF OUR CULTURE

So, in this time of scarcity—when politicians, budget cutters and philistines in educators' clothing destroy so much that quickens the spirit of the young—I strongly urge you and your colleagues to reaffirm the quintessential usefulness of "frills".

And so, too, I challenge you to search out and nurture those who through some special alchemy manage to keep the light of learning alive in the most unlikely places in this land.

The Endowment should help the broadest possible American public realize that what is humane is not necessarily remote, precious, hermetic, elite. Rather—like much that is most enduring in the world's literature—the humanities grow out of that wisdom which, in the words of the scripture, "cryeth aloud in the streets". Through the endowment, then, we must continue to mine the rich mother-lode of language and culture that laces the hills and hollows of Appalachia; the mountains, plains and plateaus of the West and Northwest; the sea islands, and settlements of the South and East that lie beyond the main highways—and not least of all, the polyglot ghettos and the barrios of urban America.

THE VITALITY OF OUR PAST

We are fast becoming a rootless, a-historic people, living from one unassimilated shock or sensation to another. One critical function of the Endowment should be to support those individuals and institutions whose role it is to reconnect us with what is most vital and continuous in our past—and with what seems most likely to endure from our own time.

A final word.

Intolerance and ignorance are dangerous anywhere. In a democratic, multi-racial, multi-ethnic society, they may well prove fatal. A central concern of the Endowment must be not only to make us better know our clannish selves, but to help us find a part of ourselves in the lives and languages of our neighbors in this country and the world.

I wish you well in your important undertaking.

CARTER AND THE CYPRUS ISSUE

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. DERWINSKI. Mr. Speaker, during the 1976 Presidential campaign, President Carter's candidacy received overwhelming support from Greek-American voters. The primary reason for this was their frustration over the record of the Ford administration on the Cyprus issue, and the commitment they felt they had from candidate Carter.

It is especially interesting to me and perhaps will appear ironic to others that the Greek Press, a weekly publication serving Greek-Americans of greater Chicago, has seen fit to baptize President Carter as "Tricky Jimmy," in a front-page editorial of that publication's December 16 edition. I insert it at this time:

PRESIDENT CARTER'S RUSE TO END EMBARGO ON TURKEY

Up to yesterday we had "tricky Dicky". Now we have tricky Jimmy. President Carter is set to use every trick in his bag of peanuts to get the embargo on arms to Turkey lifted.

He used his vice president the other day in order to pacify worrying Greek-Americans and he stopped in during their meeting at the White House to assure Archbishop Iakovos and our leaders that an "announcement of good news for Cypriots is imminent."

The only announcement of good news President Carter needs very badly to make is not to the Greeks or the Greek Cypriots but to the Turks. He needs to tell them that the embargo is lifted. Because the Turks already have warned him that if the embargo is not lifted soon every American must get out of Turkey.

President Carter has no plan for a Cyprus solution. At least a plan acceptable to the Cypriots. He simply endorses the Turkish point of view which is rejected time and time again by both the Greek and Cyprus governments.

Only last week President Kyprianou of Cyprus made it clear to us that there is nothing from the Turkish side to justify President Carter's optimism.

"At the moment there has been nothing from the Turkish side to justify optimism that we are on the way to an early settlement," Kyprianou said in a speech during a visit to a refugee camp near Nicosia.

THE REFUGEES

"The return of the refugees is a basic precondition for a viable and acceptable settlement. . . . We are striving to secure conditions that will permit the population of Cyprus, Greek and Turkish-Cypriots, to live, work and settle freely wherever they wish," Kyprianou said.

This is the crux of the matter. And unless the refugees are allowed to return to their homes no other news can be labelled "good" for the Cypriots.

CITIZENS AND LAW ENFORCEMENT JOIN HANDS TO FIGHT CRIME

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. FISH. Mr. Speaker, this past year was eventful in many ways. Much happened to change our way of life, to make it easier and safer. But, nothing better demonstrated the Nation's concern and determination to fight crime as a joint effort between our citizens and its law enforcement officials than the action that took place at the U.S. Capitol several months ago.

Joining hands with the Federal Bureau of Investigation and the local police, fellow New Yorker and president of the Law Enforcement Assistance Foundation, Mr. Orway P. Burden, and the Outdoor Advertising Association of America kicked off a national billboard program to place 1,000 25 by 12 foot billboards all across the Nation to remind the citizens to "Join the Resistance" to fight crime.

These 1,000 billboards have now been placed along the routes of travel of the people of this country—on buildings, along highways, and in shopping centers. The big signs call on our people to help our law enforcement officials protect you and simply say, "Join the Resistance * * * support your FBI and the local police."

But what they are saying to those of us who took part in the ceremony at the Capitol of the United States is that private citizens and law enforcement officials are calling for a hand-in-hand effort to fight and conquer crime in this country. Among those who took part in that ceremony were the Director of the FBI, Clarence G. Kelley; minority leader of the House of Representatives, JOHN J. RHODES of Arizona; House Judiciary Committee chairman, PETER W. RODINO, JR., of New York; and numerous other leaders of the Congress and national law enforcement officials.

I am particularly proud, Mr. Speaker, of the part being played by a fellow citizen of New York, Mr. Orway P. Burden, of Mount Kisco, who, as founder and president of the Law Enforcement Assistance Foundation, conceived the idea of this national billboard program to alert the people of our country to the necessity of joining hands with the FBI and the local police to fight crime. Mr. Burden elicited the help of the Outdoor Advertising Association of America and, with their assistance and joint sponsorship in promoting, distributing, and putting up the billboards paid for by Mr. Burden's foundation, not one penny of

taxpayers' dollars went into the program.

My contribution, as master of ceremonies for the September 13 program, to introduce to the national press the leaders of Congress, the FBI Director, and national law enforcement officials, was a highlight of the year for me. And, I am especially proud of the joint effort given to this national billboard program to alert people to the need to "Join the Resistance" and fight crime with the FBI and the local police. Perhaps in this way we can cut back on crime in 1978.

We have Mr. Burden and his Law Enforcement Assistance Foundation and the Outdoor Advertising Association of America to thank for this billboard "alert" program.

WHAT IS AT STAKE IN THE BWCA

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. OBERSTAR. Mr. Speaker, Justine Kerfoot has become a legend in the north country of Minnesota she adopted as her home in the 1920's. Between 1928 and 1965, Mrs. Kerfoot, first with her parents and then on her own, operated the Gunflint Lodge on Gunflint Lake on the periphery of the BWCA.

Today, Gunflint Lodge is operated by her son and daughter-in-law.

Justine Kerfoot is fiercely proud of the way of life in northeastern Minnesota and is one of that way of life's most articulate spokespersons in Cook County, an area of almost 1 million acres where only 4,000 people live.

Justine is a regular columnist for the Cook County News-Herald. In January 1977, shortly after her 70th birthday, Mrs. Kerfoot took time off from her duties in Grand Marais to travel to Kenya with only another woman in her 60's as companion. In Kenya the two women rented a four-wheel drive vehicle and without a guide spent 3 weeks traveling through the game preserves of Kenya.

In a recent column in the Cook County News-Herald, Justine offered some insight in the way of life in northeastern Minnesota. She also expressed her views on an issue before us in Congress that means a great deal to the people of the district I represent in this House.

I would like to share with my colleagues Justine's column from the Cook County News-Herald of December 1, 1977.

BWCA UPDATE

(By Justine Kerfoot)

One sure way of defeat is to become complacent. What gains that have been made can peter away to nothing, like a stream becoming ever smaller in a drought or under certain circumstances it can grow and cut an ever deeper channel which finally has to be reckoned with.

The latest report emanating from Washington by the Fraser forces is a proposition to buy out the entire holdings on the Gunflint Trail with an appropriation of 10 million dollars. With 500 homes, resorts, canoe

outfitters, church camps, a Y camp, and private camps, the split would be a small dollar return on investments made.

There has been no let up on the part of some environmentalists to depict a picture of an onslaught of mining equipment, logging trucks and a leering individual on a snowmobile soaring into a thick impenetrable forest. I have often wondered why there aren't similar pictures showing wilderness campers peeling birch trees, starting fires with careless campfires, or throwing rocks at a beaver, a moose, or a loon to see them dive or hurry away to escape their tormentors.

What have you done to keep the pot boiling? Have you written your congressman, your senator? Oh yes, I heard you wrote them once, but that is not enough. Write again and again—concrete facts that can be substantiated. What have you done to help build up the fund to send another group to Washington when Congress reconvenes? These are your homes, your businesses and your way of life. It is a struggle for survival, not only for those on the Trail, but indirectly for all businesses in the county. It is up to you, in your own way, to help carry the ball.

Of course, the move to make it untenable for those on the Gunflint Trail is also pushed by an international group that was headed by the late Oberhaltzer of the Ely area and still carried on with refreshed momentum in his memory. During his life time, it was a drive for an International Peace Memorial, which comprised a slice of land three miles on each side of the border from Lake of the Woods to Grand Portage. It was to be an extensive international preserve. In a recent article that I read, the proposed project has been re-activated under a new name—the International Forest Preserve.

It makes one feel that he has just been nipped in the britches by one wolf only to encounter another.

BRUCELLOSIS PILOT INSURANCE PROGRAM

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. JEFFORDS. Mr. Speaker, I have recently introduced a bill entitled, "Brucellosis Pilot Insurance Program." This legislation could have a dramatic impact on the beef and dairy cattle industry of America. If enacted into law this bill will allow farmers an opportunity to assist themselves in bridging the gap of financial loss when the disease brucellosis strikes their herds. At the same time it will allow for one more avenue in our Nation's effort to eradicate this disease which costs the American taxpayer several million dollars annually.

Brucellosis is an infectious disease found mostly in cattle and swine, however, it sometimes infects other animals and humans. The human disease is known as undulant fever and is limited to farmers and other personnel who come in direct contact with infected livestock or drink milk from infected animals which has not been pasteurized.

The presence of the disease in livestock is characterized by abortions, reduced milk yield, and infertility in both sexes.

The introduction of the infection into

a "clean" herd spreads rapidly and causes many abortions. At this point the dairy or beef operator begins to experience financial losses.

The incidence of brucellosis among U.S. cattle has been drastically reduced since 1934 and the onset of the Cooperative State-Federal Brucellosis Eradication Program. The basic operation of this program depends on the laws and regulations of participating States. Minimum requirements are set by uniform methods and rules for brucellosis eradication established by APHIS of the U.S. Department of Agriculture. These regulations promulgated specifically for eradication of the disease provide for indemnity payments for cattle destroyed. The regulations presently allow for payments not to exceed \$50 for unregistered animals and \$100 for registered cattle. This Federal indemnity is coupled with similar indemnity rates established by individual States. These State rates vary considerably. In today's economic setting the indemnities from the Federal and State levels plus the animal's salvage value fall far short of what a farmer must pay to replace these animals in his herd. Also, other losses such as milk production, loss of unborn offspring and displaced milk markets cause severe hardships on these farm operators.

The legislation I am introducing today will direct the Department of Agriculture to develop an insurance approach to this problem through the development of a national 3-year pilot program. The program would be designed to cover losses incurred by both beef and dairy farmers when stricken by brucellosis.

COACH BOB LEWIS, OUTSTANDING CITIZEN

HON. THOMAS A. LUKEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. LUKEN. Mr. Speaker, I would like to bring to your attention the following editorial from the Cincinnati Enquirer which paid tribute to one of our community's outstanding citizens, Coach Bob Lewis.

Coach Lewis brought the Wyoming High School football team through the season and ultimately won the Ohio AA Championship.

This editorial says it all. Heartiest congratulations to both Coach Lewis and his team.

COACH LEWIS—WYOMING SALUTES ONE OF THE FINEST AMONG ITS CITIZENS

Friends of Wyoming High School turned out with their characteristic enthusiasm the other evening to salute their championship football team and, in particular, to honor their coach, Bob Lewis, whose record must be close to being unmatched in high school sports anywhere in America.

All told, Mr. Lewis has been coaching for three decades—eight years as an assistant coach and then head coach at Marysville, Ohio, and 22 at Wyoming, where he had been head coach and athletic director, as well as a classroom teacher in social studies. In his years at Wyoming, his teams have recorded

188 wins, 21 losses and seven ties. Small wonder that he has been named coach of the year on several occasions by The Enquirer, by the Associated Press and by the United Press International.

His record, moreover, was built in a school with an enrollment of some 750—a school that engages in no recruiting and that has no more than average resources to support its athletic program.

No one can fathom the contribution a successful coach can make to a community like Wyoming in terms of cohesiveness and common purpose. Wyoming High School football games typically draw spectators who've been out of school for several decades. Their common bond is a respect for the kind of work Coach Lewis has done in their midst.

It is singularly fitting that last week's football banquet should have brought announcement of a scholarship to be awarded annually in Coach Lewis' name. Funded by Wyoming's boosters, the scholarship will recognize students whose achievements in sports, academics and citizenship parallel those of the remarkable man the people of Wyoming are fortunate enough to have as one of their own. No one could aspire to a loftier or more enduring monument.

COMMISSIONER BOYER SPEAKS ON THE ARTS IN EDUCATION

HON. JOHN BRADEMAM

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. BRADEMAM. Mr. Speaker, on October 5, 1977, the distinguished U.S. Commissioner of Education, the Honorable Ernest L. Boyer, delivered an address, "Arts in Education: The View From FOB No. 6," before the annual meeting of the International Council of Fine Arts Deans in Minneapolis, Minn. Commissioner Boyer spoke eloquently of the "quiet revolution" in our country which is bringing together the arts and education. Mr. Speaker, I find the Commissioner's enthusiasm and support for arts education most heartening and I take this opportunity to share his remarks with my colleagues:

ARTS IN EDUCATION: THE VIEW FROM FOB No. 6

(By Ernest L. Boyer, U.S. Commissioner of Education)

In recent years a very special revolution in American education has drifted quietly across the land—a revolution that has moved forward almost unnoticed—and yet it is one of great consequence to our colleges and schools.

In the Wauwatosa district in Wisconsin an arts exhibit with speakers and slides from the Milwaukee Arts Center travels from school to school, and the program is supported by the school arts budget.

In New York State, the Empire State Youth Theatre Institute travels to schools all across the State—not just to present productions on the stage, but also to take young teacher/actors to the classrooms to teach science, language, and social studies.

Here in Minneapolis, the Urban Arts Project has created an exciting ungraded school without walls—a project in which students spend time in community theatre and dance companies, orchestras, chamber groups, and art galleries throughout the city; a project in which artists-in-residence and touring companies enrich the schools; a project with summer programs and special exhibitions staged by teachers and by students.

At thousands of schools and colleges in cities, towns, and villages, exciting new alliances have been formed—new partnerships among teachers, administrators and parents, among artists, museums, symphonies, campus faculty, education departments and arts councils.

For far too long, there have been high, forbidding walls between education and the arts. But now—at long last—those barriers have begun to fall.

This is the quiet revolution which I view with enthusiasm—and great hope.

THE FEDERAL ROLE IN ARTS EDUCATION

But at this dramatic moment in arts education, one partner has been conspicuously absent—a fact that is driven home to me almost every day. For some peculiar reason the Federal Government has not only failed to join the revolution, but has seemed, at times, unmindful that a new vision is beginning to emerge.

I'd like to quote three very recent observations, to illustrate the point:

First, I'll quote from *Coming to Our Senses*, that marvelous statement by the Rockefeller Panel on the Arts in Education. In the report, panelist Elizabeth McCormack said in her refreshingly clear, perceptive way:

"It seems to me that leadership is needed if the arts are to receive the kind of attention they should. It must be made clear to the voters and the budget makers that there is no dichotomy between the arts and learning to read. In fact, a student who really gets an appreciation for beauty is much more apt to be able to read than the one who doesn't. Now the question is, What can the Commissioner of Education do in a leadership position to bring this about? If he does nothing, it is not going to happen; things are going to get worse instead of better."

My second comment comes from an HEW report just released last week. It's a review by Junius Eddy of nine arts-in-education publications. Having read and studied all of them, here is how Eddy draws the bottom line:

"The majority of public school systems in the nation still treat the arts as a kind of educational step-child. Thousands upon thousands of youngsters still graduate from high school without having been touched in any significant way by programs in the arts. . . . Classroom teachers who, in schools without access specialists, are responsible for what little arts learning children may receive, possess few of the skills necessary for quality instruction in these disciplines. Arts specialists themselves are being eliminated from school faculties under the double-barreled pressures of rising costs and decreasing school populations. Support for needed research in the arts and aesthetic education is hardly discernible. And the interest among institutions of higher education for redesigning the education and retraining processes of both generalist and specialist teachers in the arts is visible in only a handful of 'light-house' colleges and universities. (And, one is compelled to add, Washington's educational decisionmakers and policy planners seem generally not to notice—to put it nicely.)"

My third quotation comes from concert pianist Lorin Hollander, who was speaking last week in Columbus at a conference on the arts and education.

Merging the arts and education, Hollander said, is absolutely vital. Yet he saw great danger in store for the fragile experiments in collaboration now sprinkled through our schools and colleges. And the lack of a deep national commitment was an even greater problem. He said:

"We don't socialize our children to the arts. We have made a gruesome mistake in educational policy planning. We are the first society in human history to make that mistake. And now we see the results—violence, destruction, despair. We know all this. But

how do we make them know all this—'them' who wield the power and the money?"

In this composite jeremiad I've laid out, I'd like to repeat the three central points:

Elizabeth McCormack asks, "What can the Commissioner of Education do? If he does nothing, things are going to get worse instead of better."

Junius Eddy concludes, "Washington's educational decisionmakers and policy planners seem generally not to notice—to put it nicely."

And Lorin Hollander asks, "How do we make them know all this—'them' who wield the power and the money?"

I know these questions are more in the spirit of a Socratic dialogue than hostile brick-bats. Even so, together they pose a larger question:

What is—or more precisely—what should be—the Federal role in arts and education?

And more specifically, What is the arts/education view from FOB-6—from Federal Office Building #6, the unhappy, cold, and sterile name that houses the U.S. Office of Education?

In answer to that question, I'd like to put my own convictions squarely on the line:

I'm convinced the time has come for the U.S. Office of Education to promote the cause of the arts in education.

It's time to reaffirm that art is not a frosting or a frill.

It's time to declare that art is an essential part of the common core of education.

And it's time for the Office of Education to build bridges to other Federal agencies which have programs in the arts.

THE CHALLENGES TO AMERICAN EDUCATION

This is, of course, not the time to be blinded by false fantasies. American education confronts enormous problems: rising costs, reductions in enrollments, falling bond issues, and budget cuts.

Once schools were thought to be the panacea for every social problem, but schools now face widespread skepticism. They are no longer viewed as the Nation's social hope- chest. Because many are dissatisfied with the schools' performance in the fundamentals, many have become suspicious of so-called enrichment programs. And there is a deeper, more insidious push toward materialism—a move to relate education exclusively to a job, to money, and to possessions.

It would be naive not to recognize that confidence in our schools and colleges has declined, that education in this country is no longer met with a blind embrace. But I'm convinced that the current mood of skepticism—accompanied as it often is by a dash of hope—is more relevant, and more healthy, too.

People in this Nation still believe in education, they still want schools to be places of great excellence, and they still want their children to be well served.

There is still in our midst a spirit of expectancy—a deep conviction that we need our colleges and schools and that education for the future must somehow be still better than the education of the past.

THE ROLE OF THE ARTS IN EDUCATION

This leads to my central observation. What we need today is a clear vision of the role of arts in education to focus the leadership we all must exercise. I'd like to put forth three convictions which will not be unfamiliar to those assembled here.

First, we must promote the arts because they are inherently of great value. It has been said that humans are distinguishable from animals because of language, our mastery of complex symbols. Well, perhaps what separates humans from humans at their very best is art—color, rhythm, form, sound, rhyme, and movement.

The arts, in short, give expression to the profound urgings of the human spirit. They validate our feelings in a world that deadens

feeling. They organize our perceptions and give meaningful coherence to existence.

Wallace Stevens, in his poem *Anecdote of the Jar*, put it this way:

I placed a jar in Tennessee,
And round it was, upon a hill.
It made that slovenly wilderness
Surround that hill.

The wilderness rose up to it,
And sprawled around, no longer wild.

Art, the jar in Tennessee, tames the slovenly wilderness of modern life. It orders and shapes the chaos to share its message patterns of meaning and great beauty.

But art is needed in education—not just because it's valuable in and of itself, but because art is a powerful teaching tool as well. This is my second point.

The arts serve affective education, to be sure. But they also improve cognitive learning.

We are beginning to discover for ourselves what great artists have always known: The theatre can teach history. Dance can teach the social sciences. Photography can teach literature and mathematics.

The arts provide other teaching benefits as well. They often spark new classroom interest, improve attendance, stimulate the love of learning, and the love of other people.

Joan Mondale, speaking not long ago on the arts and education, put it this way:

"There are many benefits to the incorporation of the arts into the core curriculum of an educational system, the most vital of which is to promote the growth of the whole child. This concept has been well demonstrated in communities where a comprehensive partnership between the arts and education has been thoroughly tested. There's no question that when the arts are combined with other subjects in a general curriculum, the arts improve perceptions, attitudes, understandings, and the motivation of school children."

"They break down not only the barriers to learning, but also the barriers raised by our society in a racial and economic and social way. In this atmosphere, children learn to share, to experience and to create together. They learn to be sensitive to others. They learn social skills that are indeed vital in our rapidly changing world."

"Communities that have introduced arts programs into the general curriculum are often so pleased at their success that the arts are rapidly absorbed into their over-all school program and typically not without major economic increases. Colleges and universities are aware of this trend and they are initiating programs that put concentrated attention on preparing leaders for arts programming in schools and in their communities."

Dramatic examples of Mrs. Mondale's powerful message can be found almost everywhere: from the Open City Project in New York's Barrio, where reading scores have risen dramatically after children visited New York's cultural riches and then had follow-up work in the arts.

To the ACCENT program in West Virginia's Kanawha County Schools, which uses art, music, drama, and creative movement to teach basic communication skills to disadvantaged children.

To the Arts in Motion projects in Greenwood and Saluda, South Carolina, funded by the Emergency School Aid Act, which help with school integration by the using artists in residence and visiting jazz groups.

There is a third—and perhaps most compelling reason why we need to link education and the arts. We are beginning to confront a world where our traditional resources will be limited and we must find ways to live together satisfactorily within constraints.

It seems quite clear to me that all great changes in American education have been in response to the changing social context.

In 1918, for example, after World War I, our schools were meeting waves of immigrant children who were driven here by the hopes offered by this young democracy. At that moment in our history the National Education Association issued an immensely influential report called *Cardinal Principles of Secondary Education*, which shaped American schooling for several generations.

The NEA report said that the high schools should be vastly expanded to include these new children. It urged the curriculum to switch from the classical college preparation to the vocational and "life skills" curriculum needed by this burgeoning new society.

After World War II, the Conant report on the high school was to transform our institutions once again; this time, too, it was in response to a broader social context.

The Cold War was upon us.

The Russians had launched Sputnik. Academic excellence needed to be pushed—especially in mathematics and science.

The Conant high school—adopted by Americans almost overnight—was a blueprint for response to the enemies at our gates.

Today, I am convinced we have entered yet another era in our history: one to which education must again respond.

This time, however, the enemy is within.

We are beginning to discover that the inexhaustible resources of this planet which have fed our creature comforts may in fact be finite.

We are beginning to discover that the artificial barriers of nation states cannot—and must not—isolate us from the agonies of others.

Together we must provide our creative students and faculty more opportunities for performances, and for exhibitions.

Together we must provide technical assistance to the hundreds of communities and institutions who want to share their arts and education resources.

Together we must introduce more students to the arts.

Now, more than ever, all students need the capacity to see clearly, to hear acutely, to feel sensitively the space which is all about us, and to know, once more, the beauty of language and the power of memorable speech. These skills are no longer just desirable; they are now essential if we are to survive together with civility and joy.

Together we must communicate more with artists and art centers outside the classroom. We must move beyond the campus to discover the rich tapestry of ethnic theatre, to find dance which is close to ritual; to enjoy distinctive crafts long ago forgotten or recently revived.

Together we must engage in a careful, historical study of the arts. The arts scholar has, for over 60 years, been an integral part of the higher education system in this country. But scholarship should not stand alone or become isolated.

We should look for: new ways to link scholarship with performance, new ways to develop authentic and meticulously produced plays and dances of the past, new ways to forge connections between the arts and anthropology, and renewed emphasis on the arts.

Together we must engage in creative new arts research—to learn more about the aesthetic response, the physiology of the brain, symbol systems, notational norms, and the problems of perception.

NEW FEDERAL ARTS EDUCATION INITIATIVES

And now may I close at the point where I began. I began by saying that as we seek to link together education and the arts there is a Federal role to play; and I'd like to tell you more precisely just what I have in mind:

First, I intend to coordinate—more effectively than before—OE's existing programs in the Arts.

Second, I'd like to see greater interagency collaboration in the Arts.

I serve as an ex officio member of the Federal Council on the Arts and Humanities—the only body charged with coordinating Federal policy in education, humanities and the arts.

This Council—whose membership includes the Chairman of both Endowments, the Secretary of the Smithsonian, the Librarian of Congress, and the Director of the National Gallery of Art—has been called a "largely dormant body." I plan to work with the Chairman of the Council to include on its agenda a creative new interagency push for the arts in education.

The Office of Education is now intimately involved in the work of the National Endowment for the Arts as it begins a year-long task force on education, development, and training of professional artists and arts educators—an effort whose staff director and inspiration come from leaders in your own association.

Currently OE's programs in arts education are scattered across half a dozen offices and bureaus. The Arts and Humanities Staff administers the best-known program.

But there are arts education funds in many other pockets: in the Emergency School Aid Act; in Career Education; in the Gifted and Talented Program; in the Ethnic Heritage Program; in Title IV-C of the Elementary and Secondary Education Act; in the Teacher Corps; in Bilingual Education; in Follow-Through; in the College Library Resources Program—and in a host of other hidden pockets.

I intend to organize an inter-bureau Task Force on the Arts in Education to give greater meaning to these scattered efforts and to declare that arts in education is a top priority of this Administration.

Third, we will push for more support for Arts Education. The Federal budget process is long and complicated, and we are in the midst of it right now. Until the President presents his budget to Congress next year, and until Congress acts, appropriations are not firmly fixed.

Nevertheless, and within the constraints of that important process, I want you to know that arts and education will receive significant and favorable attention from us as we prepare our final budget submissions.

Fourth, I intend to support enthusiastically the concept of "saturation" programs:

Pilots engaging the talents of the entire community in an intensive effort to make the arts a central concern of the schools and colleges in a region.

Projects involving parents, teachers and faculty, artists, business, local government, arts institutions community service agencies and administrators.

Such pilot "saturation projects" should have breadth as well as depth: I'd like to see such programs launched not only in three cities, say, but in three States as well.

We must begin to demonstrate in strategic States and cities just what will happen when arts education becomes pervasive, when schools and the community begin to collaborate with each other.

These are the moves we intend to make as we seek a new partnership with you.

EXCELLENCE: THE FIRST PRIORITY

I wish to make one final observation. While I have talked of arts and education, I wish to stress that excellence in education is in fact the goal.

It is my determined hope that our schools will educate for effective living—and that every student will achieve what on another occasion I have called "the educated heart."

The educated heart means to me a deep respect for excellence wherever it is found. The educated heart means: an expectation of beauty, a tolerance of others, a reaching for beauty without arrogance, a courtesy toward opposing views, a dedication to fairness and social justice, precision in speech and thought, and a love for graceful expression and audacious intellect.

These may be lofty goals, but they are, I am convinced, still within our grasp.

In his poem, "The People, Yes," Carl Sandburg put it this way:

Once having marched
Over the margins of animal necessity,
Over the grim line of sheer subsistence
Then man came
To the deeper rituals of his bones,

To the time for thinking things over,
To the dance—the song—the story
Or to the hours given to dreaming
Once having so marched

During the long years of recorded history—and with all of the agony and expectancy of birth—civilization has marched over the margins of animal necessity, has moved beyond the grim line of sheer subsistence.

Now the time has come for us to turn to the deeper rituals of our bones.

THE ACTIVITIES OF THE SUBCOMMITTEE ON COMPENSATION, HEALTH, AND SAFETY

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. GAYDOS. Mr. Speaker, the Subcommittee on Compensation, Health, and Safety, on which I am pleased to serve as chairman, has conducted extensive legislative and oversight hearings during this 1st session of the 95th Congress. The legislative hearings have focused on two of the subject areas—mine safety and health, and youth camp safety—over which the subcommittee maintains jurisdiction as assigned by the Committee on Education and Labor. Additionally, the subcommittee has conducted numerous oversight hearings in the other areas within the subcommittee's jurisdiction, that relate to worker safety and health and compensation to workers disabled as a result of their job-related injuries or diseases.

The specific statutes under the subcommittee's jurisdiction are the Federal Employees' Compensation Act, the Federal Mine Safety and Health Act, the Longshoremen's and Harbors' Compensation Act, and the Occupational Safety and Health Act of 1970.

FEDERAL EMPLOYEES' COMPENSATION ACT

During the first session, three bills were introduced to amend the Federal Employees' Compensation Act, which was last amended in 1974. Additionally, the subcommittee received requests from various individuals and organizations who were desirous of testifying before the subcommittee regarding the administration of the act. Thus, during 8 days of hearings, the subcommittee heard testimony from 26 witnesses, including Members of Congress, private citizens, union representatives, and representatives from Federal agencies.

The subcommittee took no legislative action, but plans to continue its oversight activities in this area during the second session.

FEDERAL MINE SAFETY AND HEALTH ACT

Five bills dealing with mine safety and health were introduced and examined by the subcommittee during the first

session. In 6 days of hearings, the subcommittee heard from 20 witnesses, including union representatives, industry representatives, a Member of Congress, and representatives from the Departments of Labor, Interior, and Health, Education, and Welfare.

On April 5, 1977, the hearings culminated in passage by the subcommittee of H.R. 4287, which was sponsored by myself and Mr. DENT. The bill was subsequently reported from the Committee on Education and Labor May 3, and was passed by the House July 15, 1977.

The Senate passed a similar bill on June 21, 1977. The bills went to conference and on October 6, 1977, the Senate agreed to the report and on October 27, 1977, the House concurred. President Carter then signed the bill into law November 9, 1977.

The Mine Safety and Health Act of 1977 substantially improves the safety and health protection afforded all miners by accomplishing three major objectives:

First. It joins all miners, both coal and hard rock, under one legislative act;

Second. It transfers the administrative and enforcement functions from the Department of the Interior to the Department of Labor; and

Third. It repeals the Federal Metal and Nonmetallic Act, thereby upgrading safety and health protections for hard rock miners.

THE LONGSHOREMEN'S AND HARBOR WORKERS' COMPENSATION ACT

Two bills to amend this act were introduced and considered by the subcommittee. Although no legislative action was taken, the subcommittee did conduct 8 days of oversight hearings, including 2 days of field hearings in San Francisco. More than 40 witnesses representing labor, the insurance industry, insurance rating bureaus, the shipbuilding industry, the recreational boating industry, the stevedoring industry, and the fishing industry presented testimony before the subcommittee.

During the second session, the subcommittee plans to continue its indepth evaluation of the Longshore Act and its administration.

OCCUPATIONAL SAFETY AND HEALTH ACT

Several bills dealing with this act were introduced during the first session. The bills addressed such issues as providing employers with onsite consultation services; extending the act to cover Federal, State, and local employees; restricting the issuance of penalties; exempting small businesses from the act's coverage; and repealing the act. No legislative action was taken, although 4 days of oversight hearings were conducted with testimony being presented by Members of Congress, private citizens, and representatives from the Occupational Safety and Health Administration.

Oversight activities focusing on the Occupational Safety and Health Act and its administration will continue during the 2d session of the 95th Congress.

YOUTH CAMP SAFETY

Four bills relating to youth camp safety were introduced and subsequently considered by the subcommittee during 6 days of hearings. Representatives from Congress, the Department of Health,

Education, and Welfare, church camps, the Boy Scouts, the Girl Scouts, Camp Fire Girls, and the public testified before the subcommittee.

On April 27, 1977, the subcommittee reported H.R. 4286, the Youth Camp Safety Act, which I had introduced in March 1977. The Committee on Education and Labor then considered and reported the bill on May 3, 1977.

WORKMEN'S COMPENSATION

During this first session, five bills on workmen's compensation have been introduced. And, though an already full schedule has thus far prevented the subcommittee's scheduling of hearings on this subject during the first session, extensive hearings are anticipated during the second session.

I would like to take this opportunity to thank Members of Congress and others who have appeared as witnesses before the Subcommittee on Compensation, Health, and Safety, and I would particularly like to thank the members of the subcommittee who have been so cooperative in making this a most productive year for the subcommittee.

TRIBUTE TO PAUL F. SCHOENROCK

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. CONTE. Mr. Speaker, a man distinguished in the field of education in my district has recently announced that he will be retiring next year. Mr. Paul F. Schoenrock, administrative assistant to the superintendent of schools in Westfield, Mass., will retire after almost 40 years as an educator.

His lifelong love of learning developed early. He graduated from St. Mary's High School in Westfield, where he distinguished himself as a scholar/athlete, demonstrating his prowess on the basketball court and baseball diamond. It was his talents in the classroom, however, that earned him a 4-year scholarship from the Mary T. Connor Scholarship Fund to Holy Cross College in Worcester, Mass. He graduated from Holy Cross with a bachelor of arts degree in 1933. Later, he continued his education at Springfield College, earning a masters of education degree in 1958.

His teaching career began in nearby Russell, Mass., at the grammar school in 1937, where he was first employed as a teacher and then served as principal for 7 years. He became principal of the Ashley Street School in Westfield in 1948. In 1952, he became principal of the Fort Meadow School. And in 1962, he was named principal of the Southampton Road School. In 1967, he became administrative assistant to the superintendent of schools with responsibilities over Federal programs. Recently, his duties expanded to that of transportation coordinator.

As an educator, Paul Schoenrock has touched the lives of literally thousands of youngsters in western Massachusetts. He has been unselfish of his time and talents

in helping these young generations of citizens toward productive adulthood. He is owed a debt of gratitude by them and their parents. I join them and his colleagues in the Westfield public schools in extending my congratulations to Paul Schoenrock on his many years of service to his community. I extend my very best wishes for a healthy and happy retirement to Paul and his wife, Edith.

ADDRESS BY HON. MICHAEL MANLEY, PRIME MINISTER OF JAMAICA

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. RANGEL. Mr. Speaker, last night the Prime Minister of Jamaica, the Honorable Michael Manley, addressed an audience during the Jamaican Educational and Cultural Institute dinner.

Prime Minister Manley's speech, a landmark statement of current Third World aspirations, objectives and views of contemporary life, establishes the focus of Jamaica as a sovereign member of the community of free nations.

It is therefore my privilege to submit for the RECORD the text of Mr. Manley's statement to be considered by my colleagues:

LIBERATION OF THE HUMAN SPIRIT

(Address by Hon. Michael Manley, Prime Minister of Jamaica)

I would like to begin by expressing my appreciation to the Jamaica Educational and Cultural Institute, headed by Mr. Carl Rodney, and the Dinner Committee under the Chairmanship of Mr. Peter Strauss, who between them have done me the very real honour of inviting me to take part in this function. At the same time, I would like to convey the sincere regrets of my wife who had planned to be here, indeed had looked forward to being here, but could not make it because a sharp attack of influenza has intervened.

ENLIGHTENED AND PROGRESSIVE

When I received the invitation of the Jamaica Educational and Cultural Institute, I had no idea who might be here, but was glad to accept nonetheless because of my profound support for the objectives of the Institute and of its related organisation, the Jamaica Progressive League. Over the years, the Jamaica Progressive League has distinguished itself by the work that it has done in the United States, and by the enlightened and progressive positions that it has always taken in our changing world. Then I learnt that there might be an interesting cross-section of people other than the League members present and I was very pleased because of the long history of warm and friendly relations between the people of America and the people of Jamaica.

I next learnt that Miss Sally Shelton and of course Mr. Terry Todman of the Department of State would be here and then discovered that Andrew Young might attend and felt honoured even by the intention. But nothing—and I hope everyone will forgive me a personal but profound sentiment—nothing equalled the delight which I experienced when I learnt that Marian Anderson would honour—indeed, more than honour; I should say grace—these proceedings with her presence.

I would imagine that Miss Anderson would be prevented by modesty from fully under-

standing the depth of my reaction. Indeed, I was prompted by the experience to more than a moment of introspection. I found myself remembering my youth spent in the very heart of a colonial experience; remembered growing up aware of a world dominated by colonialism and racism; remembered the inner psychological experience, the implied political and social impotence of being the victims of both these experiences which between them provided the cultural parameters within which I was born. From the perspective of a now independent nation, one might be tempted to forget. But the truth is that my generation will never forget. Nor should any Jamaican or any black person, or indeed any person, forget those who pioneered the way to freedom and who made of their lives a gift for the liberation of others.

PIONEERS FOR FREEDOM

We remember Claude McKay, whose art revealed the anatomy of our dilemma even as it spoke of what might be; Marcus Mosiah Garvey, who presented us with a vision of what we could become; Paul Robeson, that tallest tree of a man, perhaps the noblest of the spirits who laid their lives on the line of the liberation process; and, of course, Martin Luther King, before whose moral passion the flame of liberty leapt to new life.

In Jamaica we were inspired by the poet George Campbell, whose lines burnt with the pride of being a Jamaican and whose lyrical insight seemed to make our oppressive colonial environment take on a new dimension of beauty and promise; and, of course, Alexander Bustamante and Norman Washington Manley, who between them bequeathed to the Jamaican people the essential architecture of a modern state. But through it all I remember a soaring voice, a contralto so beautiful, a musicianship so pure that it could only spring from a human being especially blessed by God.

Many of the others whom I have mentioned, and more besides, are sources of inspiration to this very day. But Marian Anderson touched our lives, touched my life, in a place that no other before or since quite reached. There is something about her art, her person, her very presence that seems to me to be telling us why we are struggling in the first place. Miss Anderson, I am honoured, I am touched by your presence in a way that I do not have the words to tell.

We meet tonight at a fascinating juncture in world history. The Panamanian people voted for a Treaty which is a model of restraint, of mutual respect, of mutual accommodation in a difficult arena where national sovereignty in locus must be reconciled with real economic rights and interests located elsewhere. The outcome is a triumph of pragmatic accommodation and could mark a significant turning-point in the development of relations between the greatest and the smallest on a basis of mutual respect for sovereignty and tolerance of economic and strategic need.

Meanwhile the dark shadow of Southern Africa lies across the landscape of world politics. If any of you continue to have a lingering doubt as to the fundamental threat that South Africa poses to the development of a world community in which the shibboleth of race is firmly laid to rest, the callous, cold-blooded murder of Steve Biko by the South African racists a few weeks ago provides a clear message as to what that regime is about. In the face of international horror and condemnation of this crime, the racists have responded with more oppression and brutality directed against the black majority of South Africa.

NEW U.S. ADMINISTRATION

For these reasons, you may well imagine then how we felt when we saw that the new Administration of the United States was now actively considering some form of sanctions

against South Africa. It would be impossible to overestimate the moral impact that this would have throughout the Third World and, indeed, wherever men assert, or even admit, a moral dimension to human affairs.

This new Administration in the United States is clearly moving towards a new and more profound understanding of the moral, political and economic dynamics of the last quarter of the twentieth century. The summons to a renewed concern for human rights, and the unequivocal definition of those rights to include the economic and the social concerns of the poor and the dispossessed and the wretched of the earth, has provoked some controversy but we in Jamaica approve and endorse these initiatives. We do so because we believe that there can be no peace in the world until all nations commit themselves both nationally and internationally to this quest.

A TIME OF CHANGE

We are in a time of change. Only last week one of the four definitive revolutionaries of the twentieth century, President Fidel Castro, visited Jamaica for five days in a courteous rejoinder to my visit to Cuba two years ago. The visit was acclaimed by all elements of the Jamaican society as one of the most satisfying and successful ever undertaken in our country by a visiting Head of State.

A few years ago this visit would have been unthinkable. A few years ago a new Panama Canal Treaty would have been unthinkable. A few years ago detente would have been impossible. A few years ago the very thought of sanctions against South Africa by the United States would have been unimaginable.

What is the thread that connects some of these events? And I say "some" because I distinguish apartheid and minority rule in Southern Africa as issues that go beyond any accommodation, any moral possibility of compromise. Minority rule and racism can only be destroyed.

MATURING OF POLITICAL PROCESS

I suggest many of the other matters are the product of a maturing of the political process in the world. More and more we are learning the lesson of accommodation, of tolerance, of mutual respect. Perhaps it is the "bomb" that is bringing us all to our senses. Perhaps it is the fact that our planet shrinks daily before the assault of technology and the tide of population pressure. Perhaps it is merely the result of more people being more sensibly educated. But whatever the cause, there does seem to be some basis for hope that mankind as a whole is paying a little less attention to those strident voices that still seek to summon us to the barbarities of bygone eras when force and power were the mules that dragged the cart of exploitation across the arid plains of colonial history. It does seem that there are more and more voices in today's world calling for a more sane basis for international discourse and a more humane outcome to international relationships.

What seems to be gaining ground is the recognition that the international climate will prosper best where respect for sovereignty, and the tolerant acceptance of the right of other people to choose their path of national development for themselves, is greatest. Yes, these are positive signs and we welcome them.

TWO FAILURES

On the darker side must be set two overriding failures of the international community. The first is the failure to create a world in which peace is so secure that it permits a significant reduction in armaments and the progressive reallocation of military expenditure to the purposes of peace and international economic and social development.

The second is the continuing refusal of the major nations of the developed world to

come to grips with the need for the progressive reorganisation of the world's international economic relations and dealings which is described as the New International Economic Order. And perhaps the best way for me to illustrate what this terrible pair of failures mean to the great majority of the world's population would be for me to speak of Jamaica and what we are trying to do.

JAMAICA'S COMMITMENT

In 1962, upon attaining independence, Jamaica made a commitment and embarked upon a course. The commitment was to plural democracy and the rule of law in the fullest sense of the western political lexicon. We have kept that commitment and, even as I speak tonight, we have a press as free as any in the world, worship that is as free as any in the world, courts of law as independent as any in the world. Our Parliament is free and vociferous, our columnists range from the critical to the cantankerous, and our priests—and other men of God—sometimes are as turbulent—and as assertive of moral imperatives—as any in the world. He who asserts to the contrary anywhere and in any company is a liar who perjuries his soul.

In the economic field, the path that we chose under other leaders and another political party was the path of development based on unfettered free enterprise and indiscriminating invitation to foreign capital. And let me pause to make myself clear. I have neither quarrel with, nor comment upon, any other nation which pins its hopes on either or both of those endeavours. On the other hand, I observed, along with many others, the effect of this course of action upon Jamaica.

INEQUITY

We had emerged from three hundred years of colonialism with grave disabilities. The imperialist process had entrenched a small and privileged class of great power and little entrepreneurial skill. The middle classes had been prepared by colonialism for the classic professional tasks of the Law, Medicine and the bureaucracy. The best land was pre-empted for all of the excesses of the plantation system. The lot of that overhanging cliff that was the majority of the population was poverty.

The pre-independence and post-1938 period witnessed the establishment of a powerful trade-union movement and a sophisticated two-party political system. Some progress had been made. After independence some progress continued to be made. More children were educated than before. There was a great expansion in the bauxite and alumina industry and a certain measure of progress in the field of import-substituting manufacture. The first high-rise buildings made their contact with the sky. Hotels mushroomed and the sun and the beaches made a healing contribution to the sense of well-being of growing numbers of tourists.

But at the end of that period which, you will recall, was one of the golden times of stable expansion in the western world, what had been the experience of the average Jamaican man and woman? Unemployment was 25 per cent. Functional illiteracy was 30 per cent. Tens of thousands of children were not getting into school at all and many thousands more were ravaged by malnutrition. And hovering over it all were the gathering clouds of that social tension which permeates everything when the aching poverty of the many is mocked by the ostentatious and unfeeling wealth of the very few. In short, it was being demonstrated with increasing force by 1972 that the chosen path could not provide the answer of that balanced progress in a context of social justice to which we are summoned by democracy itself.

Here then was the paradox of a society politically mature, vigorously democratic, driven by the energy of a healthy popular ambition, increasingly frustrating those ambitions in the daily experience of the great majority of the people.

DEMOCRATIC SOCIALISM

We calculated that the path could not work in Jamaica because the objective conditions which are necessary to the success of such a path clearly did not exist. By 1972, it was obvious to the simplest political observer that another course had to be found and that there was not a moment to spare. And what is the path that we are now exploring? We call it Democratic Socialism, and we attach equal importance to both words. By 'democratic' we mean more than free elections and the free press. Of course, we mean these things. But more so, we mean, and this is our sustaining vision and hope, nothing less than a full participatory democracy.

We are developing our local-government and community-representation systems so as to maximise the opportunity of popular participation at all levels of decision-making. And we do this without sacrificing or diminishing the sovereignty of Parliament. We are embarked upon worker participation as the first phase of an intention to create a dynamic industrial democracy at the workplace. We increasingly engage in extensive dialogue with trade unions and private sector organisations in determining government policy at many, and often critical, levels.

LIBERATION OF HUMAN SPIRIT

Mr. Chairman, slavery and colonialism dominated our history. We intend to dedicate our future to the liberation of the human spirit through the most profound, democratic experience which we can devise for all of our people.

In the economic field, our Socialism means a socially directed economy planned to achieve social objectives in the interest of the majority of the people. To give effect to this, we depend on a flexible model involving a fixed economy. State institutions, cooperatives and traditional private-sector organisations all have a full, honourable and permanent place in the scheme of things. All that we insist upon with our private-sector organisations is that they observe standards of good corporate citizenship, cooperate in the development of industrial democracy and worker participation, and collaborate with the state in the attainment of broad social objectives.

NONALIGNMENT

In foreign policy, we used to regard ourselves as a dependency of the West even after we hoisted the flag of independence. Now, we are an active part of the non-aligned movement; and by non-alignment we mean something both special and positive. We do not see the world in terms of "a plague on both your houses—or even all your houses". Rather, we believe in a world of peace, of friendly co-existence, and of mutual respect. We value all our traditional friendships and seek to strengthen them. We seek new friendships, always on a basis of the proud insistence that our sovereignty must be recognised and respected. We will not accept the view that friendship with any one group must be at the expense of friendship with any other group. Nor will we allow any power anywhere in the world at any time to tell us what to do or in any way interfere in our internal affairs. We struggled through three hundred years for our freedom. We will not again surrender it to any power or person now or ever in the future.

WORK FOR CHANGE

The cardinal aim of our foreign policy is to work ceaselessly with any nation, in any forum, anywhere in the world to achieve changes in the world's economic system. Again, we do not seek to interfere in, or preach about, the internal economic arrangements of any other country. But our experience shows us that the present system of economic arrangements as between nations in the world works unceasingly, unfavourably and inevitably against the interests of that

great majority of mankind that inhabits the developing nations, sometimes called the Third World. Therefore, we work without apology to the end that the world will one day interpose elements of political control into international financial arrangements, international transfers of technology and, above all, international trade. We seek such political intervention to reverse the injustice that results from present arrangements and to give a simple, first chance of life to the poor of the poor nations.

All of the existing arrangements combine to ensure that the rich nations get richer while the poor nations get poorer, and when this allegation is supported by the overwhelming and universal evidence of these consequences, it is time to cry halt. Our foreign policy is devoted to proclaiming the need to halt; and to expounding an alternative path that could transform the current rhetoric of international justice into actual performance and progress towards just objectives.

It is, hence, not altogether an accident that Jamaica was elected, unanimously and by acclamation, to chairmanship of the Group of 77 in the United Nations last month. The Group of 77, of course, is the phrase used to describe the caucus of the developing countries dealing with international economic affairs. It now has more than 100 members.

FOREIGN CAPITAL

And even as we fight for changes in the world's economic system, we still believe that there is a real, positive and mutually beneficial role that can be played by foreign capital in the developing world in general, and in Jamaica in particular. Frankly, we are not interested in the type of capital whose primary motivation was the search for quick profits at the expense of sweated labour with the intention to migrate the minute the first trade-union organiser appeared on the scene. Nor would we be interested in any multi-national corporation that thought it had the right to interfere in our internal politics. But we believe that there is a lot of other investment capital that approaches the business of overseas investment from the standpoint of an enlightened awareness of social responsibility. Hence we are interested in foreign capital that wants to invest in an area of production that is consistent with our national plans and social objectives.

We are interested in foreign capital that begins with a commitment to accepted standards of good corporate citizenship. We are interested in foreign capital that will cooperate with our plans for the sensible and orderly introduction of worker participation. We believe it to be in the best interests of the foreign investor to proceed on the basis either of immediately cooperative joint ventures, or where clear options for local participation are provided from the outset. And we believe that the concept of the joint venture can involve the state, local private interests, or both.

In short, we believe that the guest investor proceeds most harmoniously and therefore most successfully when he is in partnership with his hosts. And, last but not least, we recognise absolutely both the need for and the legitimacy of just and adequate profits.

We expect of our foreign investors a desire to localise their operations in terms of the training and development of manpower at all levels of the business. And we can assure the foreign investor of a skilled, adaptable and efficient work force.

On the basis of these clear principles and understandings, we positively welcome foreign investment to our shores.

INTERNATIONAL CRISIS

I have sought to indicate the path upon which we are embarked. As fate would have it, we set out at a time of maximum international crisis. I have only to mention that

we are 97 percent dependent on oil for energy for you to understand something of the crisis which we have had to endure. We have a grain-based diet heavily dependent on importations of commodities like wheat. We pay for all of this with things like bauxite and sugar and the proceeds of tourism. At the very moment when world inflation was raging out of control and inflating our import bills by multiples of four and five, the world aluminum industry settled into a slump, sugar prices collapsed and even tourism contracted in the face of the general pinch.

MEASURES TAKEN

Needless to say, the combined effects of all of this precipitated us into a serious balance-of-payments difficulty. Yet, in spite of all of this, we have embarked upon one of the most effective programmes of land reform ever attempted in the Caribbean. Already, we have moved over 30,000 farmers on to new and good land. Farmer cooperatives are being developed, and domestic agricultural production is beginning to move.

We made history, although it was not universally popular, by pioneering new forms of bauxite taxation which provide a form of indexation between revenue to Government and the price of aluminium ingot. This is already recognised as a model in the developing world. Since then, we have entered amicably into partnerships with some of the great aluminium corporations, like Kaiser, Reynolds and Alcoa, which are models of the principled recognition of our sovereign right to have control over our natural resources, on the one hand, and the legitimate interests and rights of major investors like Kaiser, Reynolds and Alcoa, on the other.

We have mounted an assault against illiteracy, are in the middle of a major attempt to transform the quantity, quality and relevance of our education. We have remodelled, restructured and refurbished our tourist industry and look forward with keen anticipation to a good season this winter. We can guarantee to our tourists not only beaches, sunlight and a glorious backdrop of mountain scenery but, more importantly, the pulse-beat of a dynamic people in a vigorous society engaged in the construction of a new kind of society. Furthermore, this is a task of construction which makes the liberation of the individual, to the exploration of their full potential, a cardinal objective; while seeking to develop a spirit of patriotic cooperation as the dominant mood and operational method of the society.

AN EXCITING PLACE

In short, Jamaica is an exciting place. But we are beset with terrible problems. Change is always difficult. Change in the midst of the kind of convulsion in the world's economic system which we have experienced in the last four years is doubly hazardous. And it is for this reason that one looks with horror upon a world which continues to allocate massive proportions of its productive resources to the instruments of war. Every time I see a picture of a bomber of any make from any nation, or a tank of any make from any nation, I think of the thousands who are hungry at this very moment in Jamaica, and of the millions who share a similar fate in the world. And I pray that *detente* will evolve quickly from the negative phase of cautious, heavily armed neutrality to a positive phase of active collaboration in an international assault upon poverty.

INTERNATIONAL INJUSTICE

Equally, I condemn the failure of the world community to address the problem of international economic exchange. As the years pass the tractors and the machinery cost us more, but what happens to the price of sugar? When technology is transferred, it might be better if it stayed at home because the royalties and the special fees, and all the other paraphernalia that attaches to the transfer, bleed the supposed beneficiary

and cancel the benefit. And it is not enough to tell me that we should not grow sugarcane or to pretend that there is some higher natural law that was ordained that growers of sugarcane must be poor while those who assemble tractors must be rich. To tell me this is to stand confessed as a hypocrite, because we all preach the brotherhood of man and all subscribe to the notion of equality.

Ironically every progressive nation, on whatever path of development, has long since accepted the need to intervene politically to secure that the economic system of the nation supports a broad social justice for all its citizens. What is needed now is a quantum leap in political perception and the recognition of political responsibility as between nations but based upon the same principles concerning the brotherhood of man that inform and inspire political action within nations. You have long since agreed to use national political action to ensure that the United States forever occupies broadly the same world of economic well-being as his industrial brother. You do so because of a moral perception of the common brotherhood that they share. Equally, the world must move to the use of international political action to ensure that a day will come when our people occupy the same world of economic well-being as your people because they also share a common fatherhood.

CHALLENGE OF OUR TIMES

That is the real challenge of our times. That is the thought that I would like to leave with this distinguished audience tonight. And I can think of no finer audience to leave it with because, as I said in the beginning, the people of Jamaica and the people of America have a long history of association and friendship. The American people asserted their right to freedom two hundred and one years ago and set out to build a new kind of society that seemed to hold out the finest prospect for a people with a continent to conquer and develop. Their success has already provided one of the outstanding chapters in human history.

The Jamaican people attained their freedom only fifteen years ago and attained it on a basis of two million people already very thoroughly and heavily in occupation of only four thousand square miles. Therefore, if the inevitable and dominant reality of the American experiment was the need for expansion, the necessary and dominant reality of the Jamaican situation is the need to achieve cooperation and accommodation as the very price of national survival. Common to both dreams are the ideals of hard work, equality and patriotism. Let us hope that the mighty United States and the proud Jamaica can find the means to cooperate in the search for peace and for that New International Economic Order which can alone make it possible for all men to experience the meaning of social justice.

INDOCHINESE REFUGEES: AN INTERNATIONAL CONCERN

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. EILBERG. Mr. Speaker, on two occasions this year I have urged President Carter to convene an international conference to solve the pressing humanitarian problems of refugees from Indochina.

Now, nearly 6 months after I first proposed that the nations of the world be called together to help resettle these

refugees, the problem continues. Some 100,000 persons are now in temporary camps in Thailand, and we read daily of the "boat cases"—in which desperate people are fleeing in unseaworthy ships, floating for weeks on the open sea, being ignored by merchant ships, and in many cases being towed back out to sea when they land in unwelcoming ports.

Mr. Speaker, the Judiciary Subcommittee which I chair has overseen the admission to the United States of more than 165,000 Indochinese refugees since the end of the war in Vietnam. We have authorized more than a half billion dollars in Federal funds to resettle them in this country, and we have approved and reported to the full Judiciary Committee a bill to broaden the definition of "refugee" under U.S. law, and to regularize the entry of refugees into this country under normal circumstance and in emergency situations. Still, the refugee problem continues to grow, presenting increasingly difficult humanitarian needs.

The United States should continue to play a key role in meeting these needs. But, since the problem of assisting Indochinese refugees is not solely an American one, it must be solved on an international basis.

I commend to the attention of my colleagues an editorial in the December 14, 1977, edition of the Washington Post which points to the need for international action to help the Indochinese refugees:

INDOCHINA'S REFUGEE FLOW

The conditions established by the Communist victors in Indochina continue to flush out substantial numbers of refugees, people who find the system so incompatible with their beliefs or standards that they are prepared to abandon homeland ties and possessions and seek haven abroad. This continuing flow is a telling comment on the kinds of societies now being built in Indochina. It is also a heavy burden on the countries of refuge. Many of the so-called boat people, who slip out in small boats, find themselves abandoned by foreign ships on the high seas and pushed away from foreign shores. The even larger numbers who leave by land pile up in wretched camps in Thailand. Their plight is properly an international concern.

Since the collapse of the American-supported regimes in 1975, some 165,000 Indochinese have settled in the United States. Most came in the first surge, but some 15,000 later departees have arrived this year. Now another 4,700 people, who have been clinging to beachheads in Asia but cannot be resettled there, are in need of emergency admission. The State Department has begun the process and, at the same time, it is preparing to ask Congress to develop a "long-term policy" to deal with 100,000 more refugees still in Thai camps, plus others expected in the future. Congress, which has supported two administrations in handling the refugees, can be expected to direct the State Department to keep asking other countries to accept their fair share.

Ultimately the answer lies in the setting of policies, by the Indochinese governments, that do not impel helpless citizens to flee. The best place to stanch the flow is at the source. In the meantime, however, people are still trickling out of Indochina, and a disproportionate part of the burden falls on the countries closest by. They should be encouraged to help as many refugees as they can, but countries further from the scene must also do their part. The United States,

France, Australia, New Zealand, even Israel have taken in various numbers of refugees, and they and other must continue to assist in this sad, unfinished business of the war.

HALTING THE TRAINING OF IDI AMIN'S PILOTS IN THE UNITED STATES

HON. JIM MATTOX

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. MATTOX. Mr. Speaker, the practical job of translating American aspirations of freedom and dignity for all into functioning realities is not an easy task. If we expect others to be convinced that we are indeed serious about standing up for those basic human values we now refer to as human rights, we need to bear in mind that there are still some battles to be waged and sacrifices to be made here at home.

For the information of my colleagues who have contacted me regarding the recent episode of helicopter pilot and technical training for Ugandan military personnel underway in the Dallas-Fort Worth area, I would like to include the following article written by the Washington, D.C., correspondent for Scripps League Newspapers, Lee Roderick. Excerpts of a subsequent commentary follow the article. I believe these pieces by Mr. Roderick are excellent examples of the very best service we receive from a free press. I include the material in the RECORD to provide my fellow Members of Congress and the American public with some important and timely information on one of the most recent chapters in the war against tyranny and oppression.

This information is of particular importance because I have been informed just today by sources in the Immigration and Naturalization Service and in the Ugandan exile community that Idi Amin's pilots, who have been training in Texas, will all be out of the United States by the end of the week.

[From the Dekalb (Ill.) Daily Chronicle, Dec. 6, 1977]

FORTY MORE UGANDANS CONTRACTED FOR PILOT TRAINING IN THE UNITED STATES

(By Lee Roderick)

WASHINGTON.—Scripps League Newspapers has learned that the U.S. company now training nine Ugandan government helicopter pilots in Fort Worth, Texas has contracted to train 40 more Ugandans next year.

The nine were part of a contingent of 24 members of President Idi Amin's Police Air Wing issued priority (A-2) visas at the U.S. Embassy in Nairobi, Kenya on Sept. 28. Two of the 24 subsequently were refused entry at New York's Kennedy Airport, but the continuing presence of the other 22 has acutely embarrassed the State Department. They are being instructed at various U.S. sites in flying, mechanics, and communications.

Amin has been accused of killing up to 150,000 of his countrymen since taking office in a 1971 military coup. President Carter has said human rights violations by the mercurial dictator have "disgusted the entire civilized world."

Twelve members of Amin's crack airborne police received pilot training at Bell Helicopter in Fort Worth from Oct. 10 until Nov. 18. Since then, nine of the 12 have been

training at nearby Oak Grove Airport, owned by M. H. "Pappy" Spinks.

Spinks, who has been under government pressure to stop the training, told Scripps League in a telephone interview that "I don't want to lose 40 contracts for next year—that's what we've contracted for from Uganda. And we'll probably lose them if we have to stop this training."

The veteran aviator said his workers trained Amin's first pilots "five or six years ago." He added that "The State Department just wants to save face by having me do the job they should do."

A department spokesman in a Nov. 18 telephone call asked Spinks to stop training the Ugandans. "I told them I'll stop it if they get me an official request." His school will lose \$13,000 if the current training is ended, he said. Spinks maintained that the pilots are being trained only for "commercial" flying.

On Friday (Dec. 2), Rep. Jim Mattox (D-Texas), who has led a lonely fight in Washington to have the Ugandan training curtailed, hand-delivered three letters in the Ft. Worth area formally requesting the same. Two of the letters were written by the State Department and were given to Spinks and F. Shoemate of the ACME School of Aeronautics, which has been teaching aircraft mechanics to nine additional Ugandans. A third letter, written by Mattox, was taken to Bell Helicopter.

In addition, the Federal Aviation Administration, at the quiet request of the State Department, late last week agreed to withhold airmen's certification of the Ugandans training at the facilities.

As a result of these actions, both Spinks and Shoemate agreed to stop further training of the Ugandans, said Mattox after meeting with them. The congressman has called the trainees "the very instruments of terror and oppression by which Idi Amin is sustained in power."

An intriguing sidelight to the flurry of activity in Texas has been the presence, since Oct. 15, of Amin's personal jet in Savannah, Ga. The white Gulfstream G-2 arrived with a crew of eight military personnel for what has been described as routine annual maintenance by Grumman Aircraft. Government sources, however, said the plane is undergoing "major modifications" while in Savannah.

The 24 Ugandans receiving visas on Sept. 28 were "walked through" the red tape at the U.S. Embassy in Nairobi by a Bell Helicopter employee, according to an informed government source. Uganda reportedly has 18 Bell helicopters—nine purchased in the U.S. prior to 1973, and nine more purchased since then from a Milan, Italy company called Agusta, which is licensed to build Bell helicopters.

In addition to the training at Bell, Oak Grove, and ACME, three Ugandans were scheduled for schooling at the AVCO-Lycoming Co. in Stratford, Conn. The firm manufactures engines for Bell. Because of the advanced technology involved, however, the State Department refused to allow the AVCO training.

The No. 2 official at the department, Deputy Secretary Warren Christopher, contacted Bell president James Atkins while the 12 Ugandan pilots were being trained at Bell's Fort Worth facility, to urge that the work be terminated. Bell's phase of the training was continued until its regularly scheduled termination on Nov. 18, however. The reason, according to a company vice president stationed in Washington, was that there were "only a few days left" in that part of the program when Atkins received the request.

Left unanswered is the question of why the department or Bell, which the department says is the "authorizing agent" for

payments to ACME and Oak Grove, didn't move decisively earlier to stop the training at those sites.

Asked by Scripps League if ACME and Oak Grove were under subcontract to Bell, the firm's Washington vice president, Warren Rockwell, said "I don't think we have any subcontracts." A spokesman at Bell's home office in Fort Worth, Larry Hayes, however, confirmed by telephone that ACME and Oak Grove are in fact under subcontract to Bell for the Ugandan training.

Critics of the training cite its apparent contradiction to the Carter administration's avowed human rights policy. A flowering of those objections came last week when Rep. Don Bonker (D-Wash.), a member of the House International Relations Committee, introduced a resolution which would prohibit such U.S. assistance to Uganda as "pilot training and aeronautical engineering." It would also bar landing rights in this country to all aircraft owned or leased by the government of Uganda or "Ugandan interests."

Once the 22 Ugandans had entered the United States, it would have been a "very complicated process" to revoke their visas, said State Department spokesman Kenneth Brown. If the department had tried, he added, lengthy rights of appeal would have meant the training could have continued anyway until its scheduled termination in mid-December.

"But you can be sure that we will indeed take a much closer look at applications for visas from now on," Brown added. "And as a result of this case, any future request for an official training program will receive an extremely hard look."

[Excerpt from the Oregon City (Oreg.) Enterprise Courier, Dec. 12, 1977]

WHO CARES ABOUT IDI AMIN?

(By Lee Roderick)

WASHINGTON.—French author Albert Camus wrote that "I should like to be able to love my country and still love justice."

His poignant line comes to mind in considering the disturbing evidences that key elements in American society have chosen to look the other way while Uganda's Idi Amin, a bloodthirsty tyrant, butchers his countrymen. Estimates of how many have died since Amin came to power in 1971 are in the 150,000 range.

While it is true that official U.S. relations with Uganda are cool, the Carter administration, despite its public stance on human rights, has continued to allow Amin's henchmen free entry into the United States. Worse, it has allowed American companies to train them in skills calculated to help cement Amin's brutal hold on his people: aeronautics and communications, among others.

It was only after considerable prodding from Capitol Hill—notably from Reps. James Mattox (D-Texas), Don Bonker (D-Wash.), and Donald Pease (D-Ohio)—that the State Department belatedly moved to close this conduit of American technology flowing to Uganda. And even now it is uncertain how tightly the conduit will be closed.

If the federal government's role has been wrong-headed, however, the role of certain major U.S. companies has been wrong-headed. State has had diplomatic concerns unfathomable to us mortals, but ostensibly calculated to serve the larger interests of the United States. The companies, on the other hand, have had but one interest: profit. And in this case, profit is a dirty word.

Take Bell Helicopter, for example. The Fort Worth, Texas company hasn't sold any helicopters to Uganda since before 1973. But an Italian firm, Agusta, conveniently is licensed to build Bell choppers, nine of which reportedly have gone to Amin's government during the last five years.

And as late as November Bell was training Ugandan pilots. It takes little imagina-

tion to appreciate the value of helicopters in ferrying Amin's instruments of terror quickly to outlying villages.

Washington officials trying to determine the extent of Bell's work for Uganda have been met repeatedly with evasions and outright lies from company officers—an experience shared by this reporter in an investigation of Bell's Uganda connection.

The company, while notably ubiquitous in its activities, isn't alone. The Harris Corp. of Cleveland has a \$4 million contract to provide Amin a satellite communications system. Ugandans have received training in communications in Melbourne, Fla. And flight or other aeronautical training of Ugandans has also taken place at Oak Grove Airport and the ACME School of Aeronautics in Fort Worth; Vero Beach, Fla., and at Embry-Riddle University in Daytona Beach, Fla.

THE PROBLEMS ASSOCIATED WITH ACID RAIN

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. JEFFORDS. Mr. Speaker, in the course of trying to develop a coherent national energy plan Congress has looked at many possibilities to reduce this country's energy consumption, shift the Nation's dependence on imported oil, and explore new or previously untapped energy sources. In each area, we have looked closely at the impacts each proposal would have on the consumer, industry, and the environment.

Although Congress has not yet resolved all of the questions and we have not yet passed a final version of the national energy plan, one thing is quite clear at this point; despite our efforts to bring about increased conservation our consumption of fossil fuels will continue at a rapid pace, with an increased emphasis on the use of coal, our most abundant fossil fuel reserve. While the merits of such a policy choice can and have been debated extensively, the fact remains that in the short-term we have little choice. The Federal Government's role in the development of more efficient, less polluting energy options has been slow to evolve for a number of reasons, and consequently the available choices are limited.

However, I do not want to discuss all the pro's and con's of the proposed coal conversion provisions of the energy plan. Rather, I would like to point out to my colleagues that, despite seemingly adequate environmental safeguards imposed on processes and facilities using coal, we are endorsing a policy that could, without sufficient study, prove to have very serious ramifications for American agricultural productivity.

Congress began to recognize the air pollution problem in the mid-sixties and legislation has since been passed which established goals for protecting and enhancing the Nation's air quality. Further improvements have been made over the years with the Clean Air Act and successive amendments. Although we have set air quality standards for the protection of public health and welfare,

one development that is rarely mentioned is the accumulated impact that fossil fuel pollution has on U.S. agricultural productivity.

A compilation of studies prepared by the House Subcommittee on Energy and Power notes that—

Damage directly linked to ongoing fallout of industrial pollution across the U.S. continent, extending hundreds of miles beyond the source of emission, has already reduced yields in forests and other crops in some areas by as much as 75 percent. . . .

Similarly, Russell Train, former Administrator of the Environmental Protection Agency, has noted that—

Dollar losses to agriculture as a result of air pollution are difficult to quantify. However, it is safe to say that it runs—possibly in the hundreds of millions of dollars per year when all aspects of reduced productivity are considered.

Air pollution has only recently begun to be isolated as a significant agricultural problem. A recent U.S. Department of Agriculture report indicates that—

In studies undertaken in southern California, researchers found in controlled experiments filtered clean-air yields versus ambient polluted-air yields that reductions were sizable. Alfalfa yields declined 38 percent; blackeyed peas, 32 percent; lettuce, 42 percent; sweet corn, 72 percent; and radish, 38 percent. In Massachusetts, similar experiments showed yield reductions from ambient air pollution of 15 percent for alfalfa and sweet corn, 25 percent for beans, and 33 percent for tomatoes. Crop losses from air pollution in California in 1974 amounted to over 55 million dollars. Indications show that the loss trends are steadily increasing.

The substantial shift to coal as a fuel source envisioned by the administration will doubtless significantly increase pollution emissions, even with proper enforcement of clean air standards and new source performance standards. My concern is that not enough attention has been focused on the many potential impacts of such a shift, but particularly as that shift will impact on our agricultural productivity. Air pollution affecting crops is not confined to industrial and urban areas. It can spread across the entire continent into many non-industrialized food-producing States. As another recent report notes:

Often covering distances of hundreds of miles, sometimes as far as a thousand miles . . . pollutants travel through the atmosphere, undergoing added chemical changes, depositing the resultant fallout as dry particulates or acid rain at distant places.

Perhaps the primary indicator for determining the extent of pollution in food growing areas is what is commonly referred to as "acid rain," highly acidic rainfall produced by sulfuric acid formed from the oxidation of pollutant sulfur compounds that have been released into the atmosphere. Data from the Scientific American has shown that acid rain covered part or all the land in States east of the 100th meridian and showed up in large areas to the west; around Los Angeles, in Oregon's Willamette Valley, even in Tucson, Ariz., and Grand Forks, N. Dak.

"Studies indicated that acid rain causes a reduction in the photosynthetic process, decreasing sugar and starch concentrations as the pH value drops. The effect on aquatic ecosystems of Southeastern Canada and the Northeastern United States is resulting in streams and lakes becoming so acid that salmonoid fishes can no longer survive."

This phenomenon was dramatically illustrated in a major study by the Swedish Government submitted to the United Nations Conference on the Human Environment in 1971. The report's conclusions noted that the acidity of rain in Sweden has increased substantially since the 1950's. It is estimated that this sulfur deposition from precipitation is increasing at a rate of 2 to 3 percent a year, and is the primary factor in the acidification of some 10,000 lakes in Sweden, wreaking havoc upon the ecosystems of those lakes. However, less than one-third of the total acid precipitation is actually Swedish in origin. Over half is attributed to foreign sources such as Great Britain and central Europe, and a significant portion is even thought to originate from the North American continent. Clearly, the "acid rain" problem is hemispheric if not global in scope. As we, and most of the industrialized countries of the world, continue to burn ever greater quantities of fossil fuels, we can expect the impact of acid precipitation on sensitive ecosystems to become more serious, even though its overall severity is still being evaluated.

Despite these ominous indications, few corrective steps have been taken on either a national or international level. It is for this reason that I am introducing today, along with my colleague Mr. NOLAN of Minnesota, a joint resolution calling for the convening of an international conference to study the problems associated with acid rain and the effects on world agriculture. I believe it is essential that we examine this problem closely, and I would urge my colleagues to join in co-sponsoring this legislation.

GOVERNMENT PANICS OVER OIL

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. DERWINSKI. Mr. Speaker, the President is in the midst of a very hectic overseas excursion, despite the fact that his original promise was not to leave the country until the Congress passed an energy bill suitable to him.

There has been a great deal of political rhetoric but very little practical economic rhetoric from the White House in statements on the energy problem and on the need for such legislation.

A very interesting column appearing in the Washington Star by that publication's guest columnist, Michael Novak, quite accurately takes the President to task on his energy views. The article follows:

GOVERNMENT PANICS OVER OIL

(By Michael Novak)

The White House under Jimmy Carter is, plainly, inexperienced. Signs of panic have been especially visible concerning oil. The president's panic has two parts: (1) that oil might soon run out; (2) that oil companies might reap "windfall profits." These are odd motives for panic.

First of all, immense new energy remains to be discovered. A gallon of sea water has two and a half times more energy than a gallon of gasoline. Hydrogen from sea water powered rockets to the moon. At present, hydrogen-powered submarines are operational, as the president surely knows, and hydrogen is being tested in experimental automobiles, too. The costs of hydrogen engines are still far too high. But men of enterprise and intelligence are at work upon the technical problems involved in reducing costs. When hydrogen power comes on line, we will have oceans of energy.

So while the president bewails the coming end of an oil economy (rumors of whose death are premature by at least 100 years) men of vision are inventing the technical base for a hydrogen economy.

Secondly, the taxes collected by government (government now devours one-third of the nation's gross national product) are larger than all corporate profits put together. Not only does each of us pay direct taxes on income, on purchases, on real estate and on other goods and activities, indirect taxation forces us to pay higher prices for everything, since corporations pass along to us their share of all the taxes imposed on them. Mr. Carter should talk about windfalls. He's president of the greatest recipient of windfalls of any institution in the history of the world. He collects from each of us at least twice. At least.

Even the gasoline we buy at the pump is inflated at least one-third in price by direct taxes paid to the government by the purchaser. Then the purchaser also pays for the taxes paid by the gas station attendant, the trucker, and the oil company, too. Everybody passes along their taxes to the consumer. So, all in all, well over half the price of gasoline goes for taxes, ending up in government.

Even so, oil companies perform a miracle of efficiency. They find oil half a world away under the sands of Araby, pump it, ship it, refine it, and deliver a share of it to a station not far from my house in Syracuse for 62 cents a gallon. A block away, a gallon of milk costs me \$1.46, and the milk has only to be brought from a farm three miles away. In the same supermarket, a gallon of bottled spring water, which requires no refining, costs 40 cents more than a gallon of oil.

Without taxes, direct and indirect, the oil companies could sell us gasoline at just over 20 cents a gallon, and still turn a profit. Government is the reason gasoline costs 62 cents at the pump.

Mr. Carter did not begin this government gouging of American workers and consumers. His so-called "populism" is, however, faking of a very high order. He hopes to reap a high windfall from oil in new taxes to pay off the bureaucracy. Who will pay these taxes? There is only one source of money for the government. Every tax paid by corporations is passed along in the prices we pay, you and I. We pay all the taxes.

What we need is the moral equivalent of war upon the petty thinking of bureaucrats, of which Jimmy Carter is now the proven chief.

I am a liberal who does not begrudge the government its taxes or its good works. But something is going very wrong with liberal democracy. That something is too much state control and too much state spending. In the 1930's, John Dewey urged liberals to cease opposing state power, and to embrace it. That would, he said, constitute a major turning

point in the history of liberalism. It certainly did.

We need, now, another turning point in liberal thought. Our government does far too much bookkeeping. It taxes Peter, and asks Peter to pay high prices to pay Paul's taxes, too; and taxes both to pay for the bookkeepers. In their magnificent new speculative book, "The Responsible Society," Stephen Roman and Eugen Loebli try to think out a more intelligent liberal system.

Instead of "government spending," they urge "government lending." They limit the roles of government. They show how such limits still leave government a way to direct priorities and stimulate new activities. Their method would increase the liberty of citizens and the effectiveness of government.

We are desperately in need of a new theory of government. The present path leads to economic disaster.

THE FEDERAL DRUG ENFORCEMENT ADMINISTRATION SHOULD NOT BE ABOLISHED

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. GILMAN. Mr. Speaker, on December 16, 1977, I appeared on WETA's the McNeil-Lehrer Report as a panelist, along with Eugene Rossides, a former Treasury Department Assistant Secretary, and Dorothy J. Samuels, executive director of the Committee for Public Justice, to discuss allegations directed at the Drug Enforcement Administration (DEA).

Mr. Rossides, who left the Treasury Department shortly before the DEA was created in the Justice Department in 1973 as the centralized lead Federal drug law enforcement agency, contends that DEA should be abolished since it is the "poorest way of fighting the drug problem in this country." In his view, illicit drug trafficking can be fought along two lines: As a smuggling problem, which is a responsibility for the U.S. Customs Service, and through tax investigations conducted by the Internal Revenue Service. Both Mr. Rossides and Ms. Samuels contend that DEA agents should not be stationed abroad, and according to Ms. Samuels, DEA has been providing foreign governments, particularly Bolivia, with information that has led to the arrest, torture, and violations of human rights of individuals caught violating foreign law.

Mr. Speaker, I do not condone any violations of human rights, and I am confident that DEA does not intentionally participate in such practices. The vigilant protection of human rights is not inconsistent with the proper enforcement of drug laws. Both objectives must and can be attained without sacrificing one for the other.

It would be a grievous error to regard narcotics trafficking as essentially a smuggling problem. Mr. Speaker, narcotics trafficking is a problem that is not unique to the United States. It is a global problem, a problem requiring the con-

certed action by all nations of the international community. The eradication and interdiction of illicit narcotics is a problem for both heroin-producer and heroin-user nations, a problem for developed and less developed nations; it affects all mankind.

Narcotics trafficking and opium production is a complex problem. It is not limited to the interstate traffic of drugs coming through our borders. Rather, it involves a sophisticated international criminal network whose operations amount to billions of dollars including the laundering of money obtained from the profits of an intricate web of legitimate and illicit business transactions. The tentacles of organized crime have reached into every facet of society, corrupting public officials and private citizens, undermining the administration of justice, destroying the moral values and the very roots of that society.

I have a high regard for the U.S. Customs Service. Given the limited manpower and equipment, it is performing an extremely difficult task of attempting to interdict the flow of illicit drugs across our borders. Along with the other members of the Select Committee on Narcotics Abuse and Control, and our distinguished committee chairman, the gentleman from New York (Mr. Wolff), we traversed the 2,000-mile southwest border from San Ysidro, Calif., to Brownsville, Tex. The Customs Service faces the herculean task of interdicting drugs and other contraband among the 165 million individuals and 48 million vehicles that crossed the border in 1976 (and this does not include the massive movement of planes and boats that unload their smuggled goods onto our shores).

To abolish the DEA and restrict Federal drug law enforcement efforts to smuggling operations, violations of interstate commerce, and tax violations misses the major objectives of interdicting narcotics trafficking through the cooperation and coordination of law enforcement agencies in this country and abroad, the eradication of the illicit supply of opium at its source, all of which are major functions of DEA. Through the cooperation and coordination of Federal, State, and local agencies, DEA was instrumental in developing the evidence that led to the trial and conviction, in a Federal district court, of narcotics trafficker Nicky Barnes, along with 10 co-defendants of his narcotics organization, a narcotics operation that yielded annually an estimated \$200 million from heroin and cocaine trafficking.

Mr. Speaker, no law enforcement agency is immune from making some mistakes in the fulfillment of its mandate. Since DEA was created 4 years ago, it has undoubtedly made many mistakes. However, when errors have occurred, under the forthright and competent leadership of DEA Administrator Peter Bensinger, corrective procedures have been promptly instituted to prevent any objectionable conduct from recurring.

The abolition of this centralized Federal drug law enforcement agency that has, in the short time of its existence, developed expertise in the drug field, that

has been performing the hazardous task of interdicting narcotics trafficking and that has obtained international cooperation in eradicating the illicit supply of opium at its source, would be disastrous to our national effort. These dedicated men and women daily risk their lives to fulfill their objectives.

Under the leadership of Chairman WOLFF, the select committee has held numerous oversight hearings of the Federal efforts to formulate a comprehensive, coordinated national drug strategy. I recently received a letter from Dr. Peter Bourne, the President's Special Assistant on Health Issues, assuring me that the Strategy Council (which has not met under the chairmanship of the President since its establishment in 1972) will develop an operational strategy rather than merely issuing an annual report. He has stated that the working group consisting of Messrs. Bensinger and Bourne, Mathea Falco, Senior Narcotics Adviser to the Secretary of State, Dr. Robert Dupont, Administrator of the National Institute on Drug Abuse, and Robert Chasen, Commissioner of the U.S. Customs Service—

will continue, in order to assure a coordinated ongoing effort. The operational strategy which is developed by the Council will be primarily implemented by these people and the continued coordination of these agencies is essential to our success.

Mr. Speaker, in order to inform my colleagues of some of the allegations directed against the Drug Enforcement Administration, I am inserting at this point in the RECORD, an op-ed article written by Dorothy Samuels and James Goodman, entitled "Reforming the Drug Agency" that appeared in the New York Times on November 29, 1977, together with a response by DEA Director, Peter Bensinger that appeared in the Times on December 10, and a letter by Prof. Gordon Brewster Baldwin, professor of law at the University of Wisconsin Law School, commenting on the professionalism of DEA agents in Bolivia and the need for their presence "whenever American citizens are suspected of criminal activity."

[From the New York Times, Nov. 29, 1977]

REFORMING THE DRUG AGENCY

(By Dorothy J. Samuels and James A. Goodman)

The Justice Department's Drug Enforcement Administration, formed in 1973 to lead President Nixon's "war on drugs," is one Government agency that has escaped post-Watergate reform. Despite mounting evidence that the nation's drug-enforcement program is both misdirected and abusive, Congress has neglected to act. The Drug Enforcement Administration continues to operate virtually without constraint in this country and in 79 more.

Abroad, that agency is involved in narcotics-enforcement programs that mistreat drug suspects, detaining them in inhumane conditions under judicial systems that deny the most fundamental principles of due process.

A report soon to be released by the Senate Foreign Relations Committee documents Drug Enforcement Administration complicity at every level of the Bolivian narcotics program, widely considered among the most repressive. Bolivia's Draconian drug laws, drafted with the assistance of a team of

Justice Department attorneys, have been rigorously enforced with the help of the Drug Enforcement Administration and agents it has trained.

Consider the case of an American, Michelle Fryer, age 22. Arrested in La Paz in June 1976 on flimsy evidence, she languished in squalid Bolivian jails for 11 months, never certain of the charges she faced. She was finally released without being convicted, last May.

At last count, there were 32 Americans in Bolivian prisons on drug charges. In late October, 17 Senators wrote to President Carter about their plight. "Press reports, fact-finding missions, and public testimony by parents and relatives," wrote the Senators, "have provided detailed accounts of physical abuse and mistreatment of these young Americans; of massive denials of human rights and due process of law; of alleged State Department indifference and insensitivity to the protection and welfare of American citizens; of alleged improper and even illegal acts by agents of the Drug Enforcement Administration."

Yet, Congress has not passed any legislation that would effectively end United States support of such foreign drug programs. A 1976 amendment, prohibiting the drug agency's participation in direct police action abroad, has done little to curb its activities in Bolivia. In fact, there are plans for deeper Drug Enforcement Administration involvement in Bolivia. Our Government has promised at least \$8 million for Bolivian narcotics enforcement through 1981.

In the United States, where public attention has focused on the Central Intelligence Agency and Federal Bureau of Investigation illegalities, the Drug Enforcement Administration's domestic-enforcement program has received little public exposure. Stormtrooper-like drug raids on innocent families that once made headlines have given way to institutionalized abuse, including an extensive intelligence-gathering capability.

The Drug Enforcement Administration's data bank contains the names of some half-million Americans. No strict rules govern the type or reliability of information fed into the system; nor are there adequate controls over how this information is disseminated.

The Drug Enforcement Administration's use of informants to lure suspects into selling drugs to its own agents leads to questionable arrests and the agency's employment of undercover agents to "buy" from and then "bust" street dealers enhances the agency's arrest record but does little to catch major narcotics traffickers. Also, the agency's domestic guidelines permit the use of informants previously judged "unreliable" by the agency itself.

In a dangerous grant of authority, 190 Drug Enforcement Administration agents have been cross-designated as customs agents, giving them authorization to open mail and conduct border searches. The Customs Service says the Drug Enforcement Administration's agents have not opened mail since 1975. Why, then, has this authority never been revoked?

At a 1973 hearing on the Nixon reorganization plan that created the agency, Senator Charles Percy, Republican of Illinois, cautioned Congress "to make sure that in pursuing legitimate law enforcement ends, we do not do irreparable damage to the still more fundamental value of personal privacy and due process." Four years and two Presidents later, this is a responsibility Congress has yet to meet.

[From the New York Times, Dec. 10, 1977]

U.S. DRUG ENFORCEMENT: "HERE ARE THE FACTS"

To the Editor:

The Nov. 29 Op-Ed article "Reforming the Drug Agency" by Dorothy Samuels and James Goodman misleads the American people as to

what is being done in the Federal fight against drug abuse. It is a disservice to the Drug Enforcement Administration and to the men and women who are performing perhaps the most difficult and dangerous law enforcement assignment undertaken by Government employees.

Here are the facts:

"The authors state that the national drug enforcement program has had little Congressional oversight and that public hearings and public exposure to D.E.A.'s foreign and domestic law enforcement programs have been negligible. Sixteen separate oversight hearings, apart from regular appropriations committee meetings, have been held by committees of the Senate and House since August of 1976. Nine separate General Accounting Office reports dealing with D.E.A. have been published. Congressional oversight visits have been made to principal foreign and domestic regional offices and public hearings have been held along the southwest border and in our key major cities.

The chairman of the three principal oversight committees have recently recognized D.E.A. for significant progress and achievement in the law enforcement and regulatory area.

The authors suggest that the arrest of a young American woman, Michelle Fryer, in La Paz, Bolivia, is representative of D.E.A. activities in that country. Ms. Fryer was arrested in June of 1976 by Bolivian authorities but has never been the subject of a D.E.A. investigation, nor was her incarceration in Bolivia a result of any D.E.A. information.

The authors mention a "storm-trooper-like drug raid," which probably refers to an incident in Collinsville, Ill., in April of 1973, well before the formation of D.E.A., by an agency (ODALE) since phased out of existence. Not one agent alleged to have exceeded his authority in that incident was found guilty by criminal or civil jurisdictions. In fact, several agents involved in that matter were recently awarded \$15,000 slander judgments each from an alleged victim.

The authors imply that D.E.A.'s intelligence-gathering capability is an "institutionalized abuse." D.E.A.'s intelligence and analysis system was mandated by two separate White House reports—the "White Paper on Drug Abuse" (September 1975) and the "Federal Strategy on Drug Abuse" (November 1976)—and was set out in the original implementing legislation creating D.E.A. in 1973. If we are to arrest and convict major narcotic traffickers, good information is essential.

The progress being made by this agency is reflected by the number of heroin overdose deaths, down 30 percent from one year ago; the number of heroin-related injuries, down 33 percent in the last 12 months, and the purity level of heroin available on the streets, which is 5 percent—the lowest in seven years.

The authors quoted what Senator Percy said in 1973, but they did not bother to report what he says now. On June 20, joining Senator Sam Nunn at a Senate oversight hearing, Senator Percy said: "The Drug Enforcement Administration report (today) is the first encouraging report we have had in a long time. I want to commend you on your past efforts and encourage you to keep up the good work. We will give you every bit of encouragement we possibly can. . . ."

Narcotics enforcement is difficult, dangerous and complex. Federal, state and local narcotics agents are up against criminal organizations which, with awesome power and money, cause death and health damage to thousands of Americans every year. The readership of The Times is entitled to an accurate report on the activities of one agency in the forefront of this fight. Our drug problem will not be solved by misrepresentations to the American people.

PETER B. BENSINGER,
Administrator, Drug Enforcement Administration,
Washington, December 1, 1977.

THE UNIVERSITY OF WISCONSIN

LAW SCHOOL,

Madison, Wis., December 13, 1977.

Mr. PETER BENSINGER,
Administrator, Drug Enforcement Administration, U.S. Department of Justice,
Washington, D.C.

DEAR MR. BENSINGER: Last week I returned from my second visit to Bolivia within ten months. During each I worked with our Embassy in matters pertaining to the Bolivian narcotics laws. I was, however, totally independent and the views I express are exclusively my own.

I write to state that my own observations and experience confirm the views you expressed in your letter of December 1 which was published in the New York Times on December 10. Your D.E.A. agents in La Paz impressed me with their professionalism—no facts of which I am aware suggest that the D.E.A. was responsible for improper arrests, or intolerable treatment of Americans arrested on drug charges in that country.

Indeed, I fear that the absence of American D.E.A. agents when U.S. citizens are arrested on drug charges may be detrimental to the interests of law enforcement, as well as to the interest in protecting citizens abroad from improper treatment. Many Americans who have been detained in Bolivia have in fact been released because of the information which D.E.A. has sometimes been able to provide. Some who have been detained in Bolivia for long periods would, I think, have been released if D.E.A. agents had been on hand at the time of their apprehension by Bolivian police. (I think particularly of the cases of Logan and Blum.)

During both my visits to Bolivia I found all your agents extraordinarily helpful and well informed. Last February I was particularly impressed with Arturo Sedillo. This last week I was most grateful to Ed Medina, Eugene Castillo and Larry Lyons. All are splendid officers whose concern with human rights generally, and with individuals particularly was deep and obvious. Understandably your office is sensitive to criticism, but I believe that some of the comments in Bolivia have been unfair.

Of special concern to me because of my interest in international cooperation in the area of narcotics laws is the risk that your 1976 guidelines may be interpreted in such a way as to limit the useful and protective role of these American law enforcement officers. So long as Bolivian authorities welcome their presence I urge that our policies permit American law enforcement agents to be in the immediate area whenever American citizens are suspected of criminal activity. While it is important that an American consul be notified immediately, it is, as a practical matter, far more helpful that an American law enforcement officer be available at the instant of arrest. Interests in protecting the suspect as well as in ultimately determining the truth are more likely to be served by the presence rather than the absence of D.E.A. agents.

I write this simply because I have been provoked by reading a number of presumably well-meant, but erroneous comments about the D.E.A. in Bolivia. You may use this letter for whatever purpose you see fit.

Sincerely,

GORDON B. BALDWIN,
Professor of Law.

TO "SUBDUE VIOLENCE" MUST
BE OUR GOAL

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. EILBERG. Mr. Speaker, a recent issue of The Catholic Standard and

Times of Philadelphia included a column with a message of great significance for us in this holiday season and New Year.

The following article was distributed by the National Catholic News Service. It points to the tragic history of so-called "holy" wars, and its author, Father Alfred McBride, leaves us with the message that even today, hundreds of years after the medieval crusades, we must be on guard against violence carried out for supposedly noble reasons.

Father McBride explains that often in history, crimes against humanity have been disguised in the name of holy causes, and he tells us to labor to subdue violence—which is no more acceptable when it is motivated by reasons of religion than when it is poorly motivated. I commend to the attention of my colleagues this historical perspective:

CHRISTIAN HISTORY: HOLY WAR: THE MEDIEVAL CRUSADES

(By Father Alfred McBride)

To appreciate the meaning of the Crusades, we need only think of the ideological wars instituted in our own times by Nazis, Fascists or Communists. Ideological wars are secular versions of holy war. The Bible describes holy war in the book of Joshua where the extinction of every man, woman, child, animal and thing in a city was carried out in the name of God. That's the biblical equivalent of atomic holocaust. We may shudder at the prospect of holy war, but unfortunately it has an uncanny way of surviving.

The medieval Crusades were holy war. Vicious, cruel and raw pursuits, they were backed by Christians of western Europe from every rank and station. Fanatical preachers stirred up thousands to embark on a holy war against the infidel Saracenos (Saracens, that is, Easterners). Normally, the Church had been trying to subdue the addiction to violence, seemingly a commonplace in the Dark Ages and the medieval period. In the year 1000, a peace council was held in France where the effort was made to threaten excommunication to anyone using violence to settle problems. It didn't work. The monks of Cluny were able to establish the Truce of God for a time. It insisted that no fighting take place from Wednesday evening to Monday morning, or on holy days.

This Peace of God limited the extent of combat by forbidding attacks on merchants, farmers, nuns, pilgrims, priests or animals and property belonging to these people. These peace efforts curtailed, but by no means, eliminated war.

All these good overtures came to an end at the Council of Clermont in 1095. Eastern Europe claimed it needed help from the west to fight off the Saracens, the Moslem invaders. Pope Urban II used the Council as a setting for a speech on the subject. We don't know what he said, but he stirred up the crowd to Holy War pitch. We know what they said: "God wills it." Since they thought God willed it, they felt it was holy, therefore righteous, war.

Why did Christian Europe become so involved in holy war? For one thing, the overcrowded, settled territories created a land problem, what Hitler later used as an excuse, "Lebensraum"—living space. Now they could solve this problem in two ways. Follow the new Cistercian order to the unsettled frontiers and make new farms. Or they could take it from the Saracens. Regrettably, too many chose the latter.

In addition, there was the warlike nature of many of the people. Sad to say, too many of them liked to fight. Lastly, there was the religious reason. The Moslems were infidels, controlling the holy places in Jerusalem. They should be driven out or converted—by force of course. In actual fact the Moslems

had generally been tolerant of Christian pilgrims and gave the Frankish rulers the right to care for the shrines. However, the Saracens had their own war party and economic reasons for fighting well. Chips were on shoulders everywhere.

The Crusaders did win their wars in the final analysis. They set up Christian states in and around Palestine and kept charge for about 200 years. But at what a cost. They sacked Christian Constantinople and thus earned the hatred of the eastern Church and set the stage for the great schism. They massacred hundreds of Jews thus adding another page to the brutality wrought by anti-Semitism. They permitted the unspeakable atrocity of allowing 20,000 children to march to death or slave trade.

In our current ecumenical and tolerant mood, we may wonder how religion ever got mixed up in such vengeful and senseless killing. Yet we need only think of movements called crusades in our time that have religious backing and overtones—and some murderous intent as well. Murderous militancy is bad enough. Worse yet when wedded to the fanaticism fired by religion. One of the values of pondering the medieval crusades is that it may help us exorcise the devil of holy war should it ever try to take hold of our own people today.

All of these deglamorizes expeditionary forces and crusading armies, but is not meant to solve any problem of violence and war. Much more than a cautionary tale is needed. Much, much more.

CONGRESSMAN FRANK ANNUNZIO ANNOUNCES RESULTS OF 1977 LEGISLATIVE QUESTIONNAIRE

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. ANNUNZIO. Mr. Speaker, I would like to announce the results of a legislative poll which I conducted recently to obtain the opinions of citizens residing in the 11th Congressional District of Illinois which I am privileged to represent.

More than 16,000 questionnaires were completed and returned, and I want to express my appreciation to my constituents who involved themselves in the decisionmaking process by responding to this survey. The large response as well as the extensive comments sent in separately by so many of the residents of the Northwest Side of Chicago were encouraging to me as they provided the means for an exchange of views which I feel is essential to maintaining the strength and effectiveness of our Government.

Nineteen broad questions were asked relating to both domestic and foreign policy issues, and the responses on the questionnaires were tabulated entirely by computer. Before listing a numerical summary of the tabulation, I want to point out some significant reactions to several important issues.

The strongest response on the 19 questions was on crime, with 97 percent favoring the imposition of extra penalties on persons found guilty of committing crimes with guns or other deadly weapons. I have sponsored legislation which imposes a prohibition on possession of handguns and severely increases prison terms, with absolutely no probation or

parole permissible for those who commit felonies with a firearm or other deadly weapon. My bill will accomplish on the Federal level what the class X bill seeks to accomplish on the State level. I strongly feel that tougher penalties can serve as a forceful deterrent to serious crimes, and therefore, I shall continue to push for passage of this legislation.

The second strongest response was on forced busing of schoolchildren, with 88 percent expressing opposition to forced busing. My own position on this issue has been consistently against forced busing. Despite the fact that Congress has voted time and again against forced busing, various court decisions have held that busing is constitutional, and so forced busing continues. I feel the only way to resolve the busing question once and for all is through a constitutional amendment, and I have sponsored legislation to provide for such an amendment.

I was also the first Congressman from Illinois to sign the discharge petition that would release this bill providing for a constitutional amendment from the jurisdiction of the Judiciary Committee and get it to the House floor for consideration. A total of 218 signatures are needed on the discharge petition in order to achieve this objective, and currently about 196 Members have signed. I shall continue my efforts during the 2d session of the 95th Congress to secure sufficient signatures from my colleagues in order that the House of Representatives may vote on a constitutional amendment to end forced busing.

A total of 87 percent of those who responded indicated support for a \$5,000 tax exclusion from gross income for any amount received as pension or retirement benefits. I have consistently supported a \$5,000 tax exclusion for retirees and was encouraged during the 94th Congress when an existing tax credit for the elderly was increased. However, this increase did not go far enough, and consequently, I reintroduced my \$5,000 tax exclusion bill, and I shall continue to work for its enactment.

On energy related issues, 11th District residents favored the continuation of oil and gas price controls by 74 percent; supported a tax deduction for insulation and solar and wind energy equipment by 86 percent; favored the use of energy sources other than natural gas or petroleum by major fuel burning installations by 78 percent; and opposed the imposition of gasoline rationing by 69 percent.

The House of Representatives responded to these concerns by approving an omnibus energy bill which imposed a tax on utility and industrial use of oil and natural gas in order to encourage the use of other sources of energy; extended natural gas price controls; provided tax credits for home insulation; and rejected a boost in the gasoline tax. I supported tax credits for home insulation, extension of natural gas price controls, a tax on utility and industrial use of oil and natural gas, and opposed an increase in the gasoline tax.

The Senate passed an energy bill quite different from the House bill, and House and Senate conferees are still trying to

reach a compromise on the two bills. Work on energy legislation will resume when the 95th Congress reconvenes on January 19.

Mr. Speaker, my constituents have also expressed their opposition by 77 percent to new charges imposed on cardholders by credit card companies, and by 80 percent to issuance of debit cards without the consumer's specific request. I have introduced legislation to establish important consumer safeguards for credit cards and for the new electronic banking systems known as debit cards.

Credit cards were initiated as a free service, but within the last year the issuers have used various methods to add additional unwarranted charges, some so subtle that the consumer is not even aware he is paying more for the service. If these unjustified charges are permitted with credit cards, then the same unjustified charges will begin to crop up with debit cards.

Recently I held hearings on these issues in Chicago, and when the 2d session of the 95th Congress convenes, as chairman of the Consumer Affairs Subcommittee of the House Banking, Finance and Urban Affairs Committee, I shall continue my efforts to establish a prohibition on these new charges.

Over and over again, in notes and letters I have received, along with responses given on the questionnaires, a total dissatisfaction was expressed with our current health services and the prices being charged for these services. Of those who responded, 81 percent expressed their support for pending legislation that would hold the average annual increase in hospital charges to 9 percent.

This hospital cost control legislation is receiving consideration by the Commerce Committee and the Ways and Means Committee of the House, and final action is anticipated this year. In the meantime, many originally unforeseen issues relating to this proposal to impose a 9-percent cap on revenues received by hospitals remain unresolved, and in an effort to secure some input on these issues, I met a few weeks ago with administrators to various hospitals in the 11th District as well as officials of the Illinois Hospital Association. I shall continue to monitor this legislation closely in an effort to secure enactment of the best possible measure.

Finally, Mr. Speaker, 85 percent of those who responded to my survey indicated they felt that the employment of persons illegally in the United States should be made unlawful and punishable by fine and or jail term. Legislation to penalize employers who hire illegal aliens passed the House twice, both in the 92d and the 93d Congresses, each time with my strong support. Unfortunately, after being passed by the House, this legislation died in the Senate both times. In the second session which will convene on January 19, I shall continue to extend my support legislation penalizing employers who knowingly hire illegal aliens.

It is also interesting to note that of those who returned the questionnaire, the largest number—44 percent—were in

the 45-to-64 age category, while the smallest number—11 percent—were in the 15-to-29 age category.

Mr. Speaker, the following is the completed questionnaire tabulation according to percentages:

1977 LEGISLATIVE QUESTIONNAIRE

[Figures in percent]

1. College: Do you support a tax deduction for college tuition expenses?

Yes ----- 64
No ----- 30
Undecided ----- 6

2. Panama Canal: Do you support continued, unchanged U.S. sovereignty over the U.S.-owned Panama Canal?

Yes ----- 71
No ----- 20
Undecided ----- 9

3. SST: Should the Concorde be banned from landing at inland airports such as Chicago's O'Hare, but instead be permitted to land on the East or West Coast if it meets noise pollution standards?

Yes ----- 63
No ----- 29
Undecided ----- 8

4. Cuba: Do you favor the resumption of trade and diplomatic relations with Cuba at this time?

Yes ----- 41
No ----- 47
Undecided ----- 12

5. Imports: To protect American jobs and industries seriously threatened by imports, such as the Zenith Corporation, should the U.S. government impose tariffs/quotas on imported goods even though it will mean somewhat higher prices for the consumer and possible retaliation by foreign countries to whom we export our goods?

Yes ----- 60
No ----- 29
Undecided ----- 11

6. Social security: The Social Security system is now paying out more in benefits than it is taking in. Its revenue comes from 5.85% tax on both employees and employers (a total of 11.7%) on the first \$16,500 of earnings. Which of the following proposals to balance the Social Security budget do you prefer:

a. additional increases in the tax rate for both employers and employees.

Yes ----- 38
No ----- 53
Undecided ----- 9

b. a substantial increase in the taxable wage base above the present \$16,500.

Yes ----- 58
No ----- 34
Undecided ----- 8

c. use of Federal income tax revenues to supplement the existing tax.

Yes ----- 57
No ----- 33
Undecided ----- 10

d. merging the Social Security retirement system with the Civil Service Retirement System.

Yes ----- 38
No ----- 48
Undecided ----- 14

7. Elections: Do you favor public financing of Congressional elections?

Yes ----- 33
No ----- 56
Undecided ----- 11

8. Oil and gas deregulation: Currently our government regulates prices on domestic oil and gas. Because of this regulation, domestic oil and gas prices have risen less steeply in the past several years than has the price of foreign oil. Do you feel these oil and gas price controls should be continued?

Yes ----- 74
No ----- 19
Undecided ----- 7

9. Korea: Are you in favor of removing all U.S. ground forces from Korea?

Yes ----- 47
No ----- 41
Undecided ----- 12

10. Health insurance: Do you think that the United States should have national health insurance?

Yes ----- 58
No ----- 34
Undecided ----- 8

11. Hospital costs: Do you favor the proposal that the nation's hospitals hold their average annual increase in charges to 9%?

Yes ----- 81
No ----- 11
Undecided ----- 8

12. Busing: Do you favor a Constitutional amendment that would end forced busing, while at the same time assure equal opportunities for all students wherever they are located?

Yes ----- 88
No ----- 9
Undecided ----- 3

13. Abortion: Do you believe Federal funds should be used for the purpose of performing, encouraging, or promoting abortion?

Yes ----- 27
No ----- 67
Undecided ----- 6

14. Crime:

a. Do you believe extra penalties should be imposed on persons found guilty of committing crimes with guns or other deadly weapons?

Yes ----- 97
No ----- 2
Undecided ----- 1

b. Do you believe it should be illegal to possess a handgun?

Yes ----- 50
No ----- 44
Undecided ----- 6

15. Retirees: Do you believe there should be a \$5,000 tax exclusion from gross income for any amount received as an annuity, pension, or other retirement benefits?

Yes ----- 87
No ----- 7
Undecided ----- 6

16. Energy: To reduce our growing dependence on foreign oil sources (which is up 17% since the oil embargo of 1973) and to limit consumption should we:

a. impose a tax on larger cars which use more gas:

Yes ----- 53
No ----- 41
Undecided ----- 6

b. relax air pollution standards to allow increased use of coal:

Yes ----- 56
No ----- 36
Undecided ----- 8

c. impose gasoline rationing:

Yes ----- 22
No ----- 69
Undecided ----- 9

d. impose quota restrictions on the importation of foreign oil:

Yes 49
No 33
Undecided 18

e. encourage taxpayers to use energy more efficiently by making insulation and solar wind energy equipment tax deductible.

Yes 86
No 9
Undecided 5

f. allow the price of gasoline to rise to the international price level to discourage consumers from using gasoline.

Yes 24
No 66
Undecided 10

g. require electric power plants and major fuel burning installations to use energy sources other than natural gas or petroleum as their primary energy sources.

Yes 78
No 10
Undecided 12

h. provide a personal income tax deduction to commuters for expenses incurred while using public transportation.

Yes 55
No 38
Undecided 7

17. Illegal aliens: Should the employment of persons illegally in the United States be made unlawful and punishable by fine or jail term?

Yes 85
No 10
Undecided 5

18. Credit cards: Do you favor legislation that would prevent credit card companies from imposing new charges on cardholders in addition to the existing fees?

Yes 77
No 14
Undecided 9

19. Debit cards: Do you favor legislation—

a. regulating use of the newly developed electronic fund transfer systems (EFTS) that would electronically transfer money from a buyer's checking account to the seller's account without check being written (These are so-called debit cards).

Yes 41
No 41
Undecided 18

b. preventing financial institutions from sending debit cards unless the consumer requests a card?

Yes 80
No 9
Undecided 11

Age: To help me analyze results of this poll, please indicate: (circle the appropriate answer) (optional).

a. 15-29 11
b. 30-44 23
c. 45-64 44
d. 65 and over 22

THE FARMERS PLIGHT

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. HANSEN. Mr. Speaker, much has and will be said regarding the financial

plight of the Nation's agriculture and the proposed farmer strike. I believe it is important to get the story from the farmers themselves and, therefore, submit for the RECORD, an article by Bob Findlay, agricultural editor of the Herald Journal of Logan, Utah:

FARMERS COMMENT ON NATIONWIDE STRIKE AIM

"If I have to plow under all the winter wheat I've planted and not plant anything in the spring to get higher prices, then that's what I'll do. My back's against the wall. I've got to do something."

Anger edged into Newton farmer Mike Maughan's voice as he made that statement. He couldn't talk calmly about the low grain prices that have pushed him to the edge of bankruptcy and made him one of the supporters of the nationwide farm strike movement.

"I've lost \$75,000 in farming the last two years," he said. "One more year like this one and I'm done."

A similar tale of frustration was told by Clarkston wheat grower Don Anderson, who drove this reporter around to talk with several Cache farmers about their fight for survival in an era when they get less for the products they grow than it costs to produce them.

He has had to refinance several times to save his 2,500-acre dry farm, Anderson said, and is now \$250,000 in debt. "I turn over all I make to the bank," he said. "I couldn't write a check today for \$300 that would be good."

Brooks Roundy, Cache Junction farmer and Cache County president of the National Farmers Organization (NFO), commented, "Every day I get up, I'm another \$400 in debt—that's the daily cost to run this ranch."

He can survive, Roundy said, only because his land and most of his equipment is paid for. "If I was paying interest and principal on my investment, I'd have been gone two years ago," he said. "If you can just pay your fuel, labor and fertilizer bill each year, you've done real well."

ASKING FOR PARITY

These three farmers and vast numbers like them in Cache Valley and across the nation are asking for 100 percent parity prices for their products. They've got to get those higher prices to survive, they say, and they're willing to strike—withhold their food products from the market—in order to get those prices.

"I'm tired of being shortchanged," Maughan said. "I want a fair share, and I'm willing to fight for it. I don't care what it takes."

He doesn't like strikes, but they work, Maughan said. And he doesn't want to see the American consumer hurt or see anyone go hungry, but he does expect them to pay a fair price for the food they eat.

Consumers have a big stake in this farm strike too, Maughan said. He predicted that if the strike fails and failure of the American family farm follows, corporations will take over agriculture.

"And if this goes corporate, then it's 'Katie, bar the door,'" he said, "because it'll be just like Russia (where the population spends 50 percent of its income for food versus only 16 percent in the U.S.). People won't stop eating if the price of food doubles, and the corporations know that."

The full parity prices demanded by American farmers would only increase food prices 2-3 percent, Maughan said, and American consumers would still be spending far less of their income for food than do consumers in any other country of the world.

He talked of the long hours and hard work necessary to just stay alive in farming, and commented, "Then I come home each night with a deficit. I get nothing."

WHIMS OF THE MARKET

He is getting less than half of what workers in the rest of the economy get for their efforts, Maughan said. He asks of consumers: "How would you like to give up half of your take home pay each payday?"

He also lashed out at the market system that sets the price on what he produces and denies him the right to set his own price.

"I don't mind the long hours, or fighting the bugs and the drought. I like the challenge," Maughan said. "But I'm tired of bringing in the crop I've sweated over and taken good care of and asking, 'What will you give me for it?'"

"I'm just waiting for the day when I can take my hay and grain to market and say, 'Fellows, this is what I need for it.'"

"This strike will work," Maughan predicted. "This time we're gonna get paid. Because if we don't do that, we're in trouble."

The strike "is our only hope," commented Roundy. "I support it 100 percent." That means, he said, that he will harvest the winter wheat he's already planted, but will store it instead of sending it to market.

He explained the economics faced by the farmer. The cost to produce a bushel of wheat averages \$5.10 nationally, Roundy said, while the market price for that wheat is half of that, \$2.50 per bushel. (Cost of production can vary, but the lowest figure so far reported to The Herald Journal by a Cache farmer is \$3.81 per bushel, still way over the market price.)

Take a young farmer just getting started, Roundy said. He has to pay \$40,000 for a tractor and \$1,200 an acre for his land. Yet the price on his wheat will pay only half of his costs. "How long can he stay in business?"

All a farmer can do, he said, is "try to hold things together and hope for a break. But I've worked now from age 20 to 60 thinking next year would be better."

Farmers stay afloat by borrowing, but that's false economy, Roundy said. "You can't create real wealth with borrowed money. You can only get real wealth from the product; you need to get an honest price for the raw materials."

"New wealth is the only real wealth, something that doesn't have to be paid back with interest."

Roundy pointed to the philosophy of economist Arnold E. Paulson, president of the National Organization for Raw Materials (NORM).

Paulson's basic tenet is that economic policies set by the federal government deny the farmer and other producers of raw materials a fair price for his product, but then makes it possible for him to borrow money.

So instead of buying new cars, machinery, clothes, etc. and supporting the rest of the economy with real, earned wealth, the farmer is buying those products with borrowed money, essentially money that doesn't exist, Paulson maintains. The end result of this huge expansion of credit and debt—too large to ever be repaid—will be a crash and another depression, Paulson says, unless the farmers manage to turn things around and earn real wealth through an honest price for their products.

Roundy expanded on that, "If I can't afford to buy a tractor, then they don't need to mine the ore, produce the steel, make ball bearings, engines, etc. The economy has been beaten out of that much labor."

EFFECT ON ECONOMY

And he can't afford those new tractors, Roundy said. He explained that he used to have his equipment on a rotation basis so each piece was replaced every 10 years. He

can't do that anymore; his newest combine is 11 years old. By not buying new equipment, he's kept \$250,000 out of the economy.

"But when you can't afford it, what do you do?" he asked. "You patch the old equipment up and go for one more year."

Anderson commented that this is exactly what he and every other Cache Valley farmer are doing right now, trying to repair their equipment to last at least one more year. And they're doing the work themselves; they can't afford to pay a mechanic, he said.

He has a friend, Anderson said, who is getting into the home storage sales business, trying to borrow and doing all he can "just to stay alive."

Others are taking wage-paying jobs, "trying to make enough to pay the note on their farm and borrow more money," he said. "It doesn't make sense."

Almost all Cache area farmers are borrowing money against the steadily increasing value of their land in order to stay in business, Anderson said, adding, "If those land values ever turn downward, I think it will break the economy."

Anderson talked of a Weston farmer, who told him he won't give his farm to his sons, saying, "I don't want to do that to them. I've been in debt since this farm was given to me and I don't want my sons to be in debt all their lives. I'll sell that farm."

And that comes from a man who dearly loves farming, and whose sons really want the farm, Anderson said. He, Roundy and Maughan all spoke of their love for farming. Maughan summed it up, "If I didn't love farming, I'd have gotten out of this mess 25 years ago."

SPORTS OR THE ARTS: DO WE HAVE TO CHOOSE?

HON. JIM MATTOX

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. MATTOX. Mr. Speaker, I was pleasantly surprised yesterday when I read in Tuesday's Washington Post that Dallas had been singled out among the Nation's largest cities for its desire to serve both its sports and arts communities, as well as involve the private sector in such civic projects.

At a time when many cities see the construction of huge sports complexes as the key to vitality, Dallas has seen the benefits of large-scale planning for not only sports, but also the arts and humanities—and all of this with private backing as well as public dollars.

Our distinguished majority whip, JOHN BRADEMAS—also chairman of the Subcommittee on Select Education—has just returned from Dallas and a series of hearings in which we discussed how the arts and humanities potential of our American culture can best be cultivated.

Mr. Speaker, Dallas' forays into uncharted territory—building sports and arts complexes at the same time, is perhaps the best example in the country of how the enthusiasm we saw exhibited at the hearings can be translated into action.

The Post article follows:

BIG-CITY SPORTS V. THE ARTS: A MATTER OF BALANCE

(By Neal R. Peirce)

In sports and the arts, American cities have their priorities all mixed up.

Equating city prestige with big-time sports teams, the cities have poured millions of dollars into gigantic, money-losing sports stadiums. The big winners are wealthy owners of teams with national followings and fat television contracts who habitually whipsaw hard-pressed city governments into ever-more-favorable lease terms.

Sports fans find their favorite team often feels free to skip town whenever a more lucrative deal appears elsewhere. And the biggest losers, as usual, are the taxpayers.

By contrast, most cities have forced the arts—theaters, symphonies, neighborhood-based cultural programs—to subsist on thin fiscal gruel. Only the widely spread grants of the National Endowment for the Arts (now \$115 million annually) plus state arts councils and a few well-budgeted community arts agencies have helped to right the balance at all.

Arts don't lag as far behind sports as many people think. In eight of the nation's largest cities, according to an NEA survey, attendance paid at cultural events and museums actually tops paid sports attendance. The symphony outdraws professional football in 10 cities and hockey in seven cities. In Houston and New York, more people even go to the opera than football or hockey games.

No one can question the public interest in professional sports. The teams—at least as long as they're winning—are a source of civic pride, and they often generate new jobs.

But the 53 new or enlarged stadiums and arenas built in recent years, according to a Parade magazine survey, have "committed unsuspecting taxpayers to spend more than \$6 billion—plus \$1 billion for roads, ramps and sewers." And that public subsidy lines the pockets of the affluent team owners, who pay sky-high wages to top players and steadfastly refuse to make their profits public.

The required bonds stretch a city's or county's borrowing authority, can lower its bond rating and thus raise its interest costs for more pressing needs.

In city after city, the stadium supersell repeats itself. To soften taxpayer resistance, actual costs are vastly underestimated. Citizens are rarely told that the construction bonds will saddle the city with large fixed costs for decades, often doubling the cost. Suspiciously large consultant fees are handed out. Occasionally there's outright graft.

New Orleans's Superdome was to cost \$35 million; the final construction price was \$175 million, and interest could raise the cost to \$300 million. Renovation of New York's Yankee Stadium was advertised at \$24 million; in the end, the work cost over \$100 million, and interest costs may push the final figure to \$240 million.

New Jersey's Meadowlands sports complex, the costliest in U.S. history, siphons off \$35 million annually from a neighboring racetrack—money that would otherwise go into the state treasury.

A fraction of the public money channeled to big-league teams could provide a major boost for amateur athletic programs. Publicly subsidized professional sports, Foschio warns, have "made us a nation of spectators rather than participants." The results: less physical fitness, less participation, less fun for everyone.

Professional arts activities also require massive subsidies to cover the gap between box-office receipts and actual expenses. But there's a vital difference. Unlike pro sports, they make no pretense of being self-supporting.

Even more than sports, arts interest and attendance have boomed in recent years—and mostly with private contributions rather than government subsidies. Between 1965 and 1975, the number of professional orchestras rose from 58 to 110. Professional opera companies were up from 27 to 45, dance companies from 37 to 157, theaters from 23 to

145. Folk arts and crafts activity grew at a similar tempo.

Studies show the arts do contribute importantly to city and state economies (\$3 billion in New York City alone, according to one study.) More important, the arts have come off their elitist kick of yesteryear and are being extended through hundreds of programs into rural areas, schools, hospitals—even prisons, to help in inmate rehabilitation.

While professional sports raise ticket prices beyond the reach of many ordinary folks, the arts are reaching out into communities where people live and becoming more and more participatory. Using federal manpower funds, for instance, San Francisco has generated a broad neighborhood arts program employing jugglers, dancers, mimes, sculptors, photographers and craftworkers.

"The arts reveal us to ourselves," says Atlanta Mayor Maynard Jackson. "They show us who we are and where we are going whether as a neighborhood, a city or a nation. The arts are an expression of community identity in its highest form."

A 1975 survey showed that 58 per cent of Americans polled would be willing to pay \$5 more a year in taxes to support arts and culture; 41 percent would agree to pay an amazing \$25.

With full citizen participation and "open book" planning, a city's arts and sports enthusiasts can cooperate. Dallas is now proving the point with commonly agreed on plans to build a new library, an auditorium for basketball, hockey and popular music events, and separate new fine-arts museum, theater and symphony buildings.

There was real danger, says City Manager George Schrader, that suspicions among all the projects backers could have frustrated any building. So the city brought together representatives of each group to share information and commission a master plan for the new facilities.

The city insisted that the library's backers raise \$10 million of the building's \$40 million cost before the remainder was financed through bonds. Seat options sold to Dallas citizens will finance \$6 million of the \$22.5 million for the sports facility. To control costs, the contractor will have to guarantee total cost by bond.

Finally, for the new arts facilities, backers must raise 40 per cent of the \$50-\$55 million cost privately before the city finances the remaining cost. To avoid the sterile effect of New York's Lincoln Center or Washington's Kennedy Center, the arts facilities will be spotted around a downtown area with space for compatible uses—restaurants, studios, galleries—between them.

Forcing citizens with different tastes and interests to cooperate, obliging them to commit their own energy and money, is the best way to make a city work for all its residents, Schrader says.

That's far cry from the slipping financial shenanigans by which many professional sports stadiums have been foisted on taxpayers.

CARTER'S CANAL TREATIES—A BAIL OUT FOR THE BIG BANKS

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. HANSEN. Mr. Speaker, if anyone thinks the new Panama Canal Treaties mean an end to the big stick and dollar diplomacy, they had better take another look.

The total debt of the Panama Government to U.S. banks is reported by the Library of Congress at \$1.7 billion. The Department of Planning of the Republic of Panama has stated that no less than 39 percent of Panama's annual budget is being used to service its foreign debt, which amounts to \$42 million per year and includes \$25 million in interest and \$17 million in amortizing principal.

Leading the parade of American banks involved in Panama are the First National City Bank and the Chase Manhattan Bank, the flagship bank for the far-flung Rockefeller financial interests. Both of these banks serve as fiscal agents for the government of Panama. In one advertisement for a \$115 million loan to Panama, for example, the First National City Bank is listed as the agent for the loan. Other participating banks included the Bank of America, Banker's Trust, Chase Manhattan, the First National Bank of Boston, the First National Bank of Chicago, the Republic National Bank of Dallas, and of course Sol Linowitz' Marine Midland Bank.

Mr. Speaker, one might well ask, Why did these New York banks pour all that money into Torrijos' hands? It seems very clear that the loans were a trade off for Torrijos' decision—on the advice of leading New York banks—to reorganize Panama's banking laws in July 1970. This reorganization provided a favorable haven, free of taxes and onerous regulations, for foreign banks in Panama, much as Panama has long provided a flag of convenience for world shipping. Since the 1970 legal change, total banking assets in Panama, a nation of only 1.7 million people, have expanded enormously from a few banks with a few million dollars to 73 international banks with total assets of \$8.6 billion, conducting transactions throughout the world. Prominent among the U.S. banks expanding rapidly in Panama since the 1970 legislation are the First National City Bank, the Bank of America, Chase Manhattan, and the Marine Midland Bank.

The deal was beneficial to both parties, then, inasmuch as the U.S. banks received a haven for their operations and the Torrijos regime was able to acquire great sources of funds as well as solidify its political power in Panama. But now the U.S. taxpayer is being subtly asked to bail out the banks, a reverse of the days of Jesse James.

Mr. Speaker, I have obtained a partial list of 200 prominent Americans who have formed a group called the Committee of Americans for the Canal Treaty, Inc., which has been working closely with President Carter in an attempt to subvert the will of the majority of the American people by using their corporate power and prestige to obtain ratification of the proposed treaties in the U.S. Senate and unconstitutionally bypass consideration by the House of Representatives. Mr. Speaker, for the benefit of my colleagues and concerned Americans, I include for the RECORD the following list of names along with pertinent associations of the members as published in the December 5, 1977 issue of INQUIRY magazine:

WHO'S WHO FOR THE CANAL TREATY

On November 1, the New York Times carried a large advertisement paid for by a group called the Committee of Americans for the Canal Treaty, Inc. The following is a partial list of the 200 prominent Americans whose names appeared as members of the Committee, along with pertinent associations:

Stephen Alles, lawyer, director of Riggs National Bank; Hoyt Ammidon, U.S. Trust Co.; Robert O. Anderson, Atlantic Richfield Co.; George W. Ball, investment banker, Lehman Bros.; Robert S. Benjamin, lawyer, director of Transamerica Corp.; Eugene Black, former president of the World Bank; Shirley Temple Black, former Ambassador to Ghana; director of Del Monte Corp.; William Blair, Jr., investment banker, William Blair Co.; William Boeschstein, Owens-Corning Fiberglass Corp.

Edgar Bronfman, Distillers Corp.—Seagrams Ltd.; John W. Brooks, Celanese Corp.; Phillip Buchen, counsel to President Ford; Henry Catto, Jr., former U.S. Chief of Protocol; Gardner Cowles, Cowles Communications, Inc.; J. Dewey Daane, Commerce Union Bank; Richard Debs, Federal Reserve Bank of New York; C. Douglas Dillon, Rockefeller Foundation director, Dillon, Read & Co.; Secretary of the Treasury for Kennedy and Johnson (1961-1965); Thomas K. Finletter, former Secretary of the Air Force; Max Fisher, Manufacturer's National Bank of Detroit; Peter Flanagan, investment banker, Dillon, Read & Co.

Michael V. Forrestal, Wall Street lawyer, formerly on White House National Security Staff; Henry H. Fowler, investment banker, Goldman, Sachs & Co.; former Secretary of the Treasury; J. Wayne Fredericks, Ford Motor Co.; Orville Freeman, Business International Corp.; former Secretary of Agriculture; Richard M. Furlaud, Squibb Corp.; American Express Co.; Chase Manhattan Bank; W. L. Hadley Griffin, Brown Shoe Co.; Armand Hammer, Occidental Petroleum Corp.; W. Averell Harriman, Brown Bros., Harriman & Co.; former presidential adviser, Ambassador, Secretary of Commerce, and Governor of New York; Ben Heineman, First National Bank of Chicago; Andrew Heiskell, chairman of the board, Time, Inc.

Robert H. Knight, Wall Street lawyer; former Deputy Assistant Secretary of Defense; Arthur Krim, United Artists Corp.; R. Heath Larry, U.S. Steel; Harding W. Lawrence, Braniff Airways; Henry Cabot Lodge, former U.S. Ambassador to UN; John Loeb, investment banker, Loeb, Rhodes & Co.; Peter Loeb, investment banker, Loeb, Rhodes & Co.; John H. McCloy, Wall Street lawyer, former chairman of the board, Chase Manhattan Bank; C. Peter McCollough, Xerox.

George Meany, president, AFL-CIO; G. William Miller, Textron; J. Irwin Miller, Cummins Engine Co.; Paul Nitze, former Deputy Secretary of Defense; General Lauris Norstad, former Commander of SHAPE; Jane Cahill Pfeiffer, IBM; Peter G. Peterson, investment banker, Lehman Bros.; former Secretary of the Treasury; David Reynolds, Reynolds Metals Co.; General Matthew Ridgway, former Chief of Staff, U.S. Army; David Rockefeller, Chase Manhattan Bank; Nelson Rockefeller, Robert Roosa, Brown Bros., Harriman & Co.; Franklin D. Roosevelt, Jr.

Theodore Roosevelt IV, investment banker, Lehman Bros.; Walt Whitman Rostow, former national security assistant to President Johnson; Arthur Schlesinger, Jr., former special assistant to President Kennedy; Benno Schmidt, J. H. Whitney & Co.; Irving Shapiro, du Pont; director, First National City Bank; George P. Shultz, Bechtel Corp.; director, Inter-American Development Bank; former Secretary of the Treasury; Arthur Taylor, CBS; General Maxwell Taylor, former Chairman, Joint Chiefs of Staff; Walter Thayer, Whitney Communications Corp;

Alexander Trowbridge, Allied Chemicals Corp.; former Secretary of Commerce; Lew Wasserman, MCA, Inc.; James Wilcock, Mellon Bank.

Finally, Mr. Speaker, I also include for the RECORD an excerpt of an article by Mr. Murray N. Rothbard also in the December 5, 1977 issue of INQUIRY magazine. Mr. Rothbard is a professor of economics at the Polytechnic Institute of New York and a contributing editor of INQUIRY magazine. The excerpt follows:

THE TREATY THAT WALL STREET WROTE

If a handful of large U.S. banks will be the major beneficiaries of the Panama Canal Treaty, have they also had any role in lobbying for or negotiating the treaty itself? Or will their gains be merely a lucky windfall from decisions made by the U.S. government for very different reasons? Let us see. While the treaty was being negotiated, then-Senator Gale McGee (D-Wyo.), one of the leading protegee people in Congress, held a meeting at the State Department at the end of October 1975 to organize a protegee lobby. In attendance were lobbyists for the Chase Manhattan Bank, the Bank of America, such large corporations as Gulf Oil and Rockwell International, as well as representatives of the Council of the Americas. A campaign kitty was raised at that meeting, estimates of the size ranging from \$100,000 to \$500,000. Subsequent meetings brought in lobbyists for other large banks and corporations, including Pan American World Airways. Plans were made at these meetings to pressure the U.S. Chamber of Commerce into supporting the future treaty. (See Russell W. Howe and Sarah H. Trott, *The Power Peddlers*, Doubleday, p. 123.)

The influence of the bankers and the corporations, however, has been even more direct. When Carter took office he appointed the dynamic and highly influential Sol Linowitz, former ambassador to the Organization of American States and long an advocate of a new treaty, to join the octogenarian Ellsworth Bunker on the Panama Canal negotiating team. Bunker himself is a former director of Bankers Trust, and his brother, Arthur Hugh Bunker, is a longtime director of Lehman Brothers.

Linowitz's connections are more numerous and impressive. He is a member of the powerful Council on Foreign Relations, which is dominated as well as chaired by David Rockefeller, who is also chairman of the Chase Manhattan Bank. Moreover Linowitz is a member of the exclusive and now-famous Trilateral Commission, which was founded and is dominated by David Rockefeller and which includes so many foreign-policy and economic-affairs leaders of the Carter administration—from Carter himself to Vice President Mondale, Secretary of State Cyrus Vance, and National Security Adviser Brzezinski. In addition, Linowitz is a trustee and former chairman of the policy committee of the Center for Inter-American Relations, an organization founded and chaired by David Rockefeller, whose directors interlock heavily with the Council for Foreign Relations. Linowitz was also a member of Nelson Rockefeller's personal vehicle for his abortive presidential run, the National Committee on Critical Choices for Americans. As a member of the board of directors of Time, Inc., Linowitz also wields a degree of influence on the media.

Even more pertinently, upon his appointment as negotiator of the canal treaties, Sol Linowitz was a member of the board and the executive committee of Marine Midland Bank and of Pan Am. He was also a large stockholder in Marine Midland. The Marine Midland connection is clear and direct; for, as Congressman George Hansen (R-Idaho) has

disclosed, the government of Panama owes Marine Midland Bank nearly \$8 million. Furthermore, it was only after Hansen and Senator James McClure (R-Idaho) filed suit on April 20 for a temporary restraining order against Linowitz as canal negotiator, that Linowitz finally resigned his positions with Marine Midland. The suit sought the restraining order on the ground of conflict of interest on the part of Linowitz, at least until this presidential appointment should be confirmed by the Senate.

Linowitz, however, insisted on keeping his high positions at Pan Am while negotiating and arguing on behalf of the canal treaty. Pan Am's connection, while intriguing, does not seem as direct as Marine Midland's. Pan Am has for decades been within the Rockefeller financial ambit, as is indicated by James S. Rockefeller's presence on the airline's board of directors. Other directors are Frank Stanton of CBS and Donald Kendall of PepsiCo, both of whom are directors at Atlantic Richfield Company, whose president, Robert O. Anderson, is a member of the board of Rockefeller's Chase Manhattan Bank. Until he became secretary of state, Cyrus Vance was also a director of Pan Am. While too much should not be made of a list of corporate interconnections, the above establishes a clear pattern of Linowitz-Rockefeller commonality of interest and action.

We have already seen that Pan Am participated in the McGee-organized corporate lobbying in favor of a Panama treaty. What does Pan Am have to gain from Torrijos? One obvious benefit is the protection of the company's landing rights in Panama. It just might be important that Panama serves as Pan Am's headquarters for Latin America.

One of the most important influences in the drive toward a treaty was the new Washington-based Commission on U.S.-Latin American Relations. The commission was organized in 1974 by the Center for Inter-American Relations and was largely financed by Ford Foundations and Rockefeller funds. Its chairman until recently was Sol Linowitz, with Dr. Robert A. Pastor serving as the staff director. Other members of the Linowitz Commission included such influential Trilateral Commission members as W. Michael Blumenthal, who is now secretary of the treasury; Samuel P. Huntington, now an aide to the National Security Council; Peter Peterson, chairman of Lehman Brothers; and Elliott Richardson.

In December 1976, Pastor wrote a report for the Linowitz Commission, urging a new treaty and substantial funds for Panama; the Council on Foreign Relations promptly held a special colloquium on the subject and endorsed the Linowitz Report. The next month, Brzezinski, national security adviser to Carter, appointed a special assistant on Panama question, who turned out to be none other than Dr. Robert Pastor.

Without delay, Pastor drew up a National Security Council memorandum recommending a new Panama Canal treaty. The paper was approved by Brzezinski, and then, after checking with longtime Nelson Rockefeller foreign policy aide Henry Kissinger, endorsed by Carter. As the culmination of the Linowitz-Rockefeller drive, Linowitz then got himself appointed negotiator for the new Panama treaty.

There are several ironies that emerge from a careful look at the Panama Canal treaty fight—especially the picture of this country's liberals and progressives battling to pour money into the coffers of a handful of Wall Street banks in the name of a treaty they mistakenly believe represents a withdrawal of U.S. power abroad. It doesn't, and those who automatically oppose anything the right wing favors, need to do some hard rethinking of their reflexive support for the new Panama Canal treaties.

SUMMARY PLAN DESCRIPTIONS AS REQUIRED BY ERISA—A COMPENDIUM OF FAVORABLE COMMENTS RECEIVED FROM EMPLOYERS AND EMPLOYEES

HON. DOUGLAS WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. WALGREN. Mr. Speaker, recently the Pittsburgh Association of Group Executives presented me with a comprehensive listing of favorable comments of Pittsburgh employees to the experience of filing summary plan descriptions as required by ERISA.

Reproduced below is the substance of these favorable comments:

[BLANK]

A PROPOSAL TO HELP ALINE NATIONAL MILK SUPPLIES WITH DEMAND AND REDUCE CCC PURCHASES OF CHEESE, BUTTER, AND NFDM POWDER

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 1977

Mr. JEFFORDS. Mr. Speaker, today I wish to express my intent to introduce a bill early next session that will address the current oversupply of milk in this country. The situation relative to dairy product stock buildups in the Commodity Credit Corporation is serious. Several factors have made the climate for milk production very favorable at this time. Key economists are presently projecting that our national milk production will reach the 126-billion-pound level for 1978. I feel that something must be done about the problem, both on a short term and long term basis. The bill that I will introduce in January will address the short term situation. Following is an explanation with background information on what this proposal is:

U.S. milk production increased from 115.5 billion pounds in 1975 to 120.3 bil-

lion pounds in 1976. At the current rate of increase, production in 1977 will exceed 123 billion pounds. Production in 1978 could easily exceed 125.5 billion pounds. We, can efficiently utilize 117 to 120 billion pounds.

CCC purchases will exceed 6.9 billion pounds of milk equivalent in the current year, the highest level since 1952 and 1964 when purchases reached 10 billion pounds of milk equivalent. Not only is the taxpayer cost of this overproduction high (\$700 million), but it creates a serious disposal problem and a costly assembly and processing problem for dairy cooperatives.

FACTORS WHICH HAVE CONTRIBUTED TO AN OVERSUPPLY OF MILK

There are many factors which have and still are contributing to an oversupply of milk in the United States. Low cull cow prices have slowed the reduction in total dairy cow numbers from an annual rate of about 1 percent in the early seventies to 0.6 percent last year and estimated 0.6 percent for 1977.

The reduction in cow numbers in 1978 is expected to be even less, due to a favorable milk support price and a very favorable milk-feed ratio—1.84 for November.

Annual milk production per cow is increasing faster than cow numbers are declining. Our average national production last year increased by 541 pounds per cow, and the increase this year will be over 300 pounds per cow. A further increase of 250-300 pounds is expected in 1978. This results from improved milk-feed ratios and the rapid adoption of improved technology, such as the use of high P.D. bulls, the use of computer formulated total mixed rations and other improved herd management practices.

The result is an expanding total milk production in all of the key dairy States, including the top five: Wisconsin, California, New York, Minnesota, and Pennsylvania.

CONSUMPTION AND STORAGE

Per capita, consumption of fluid milk has been declining in most Federal order markets this past year. This has accentuated the problem, as more milk has moved into cheese, butter and powder necessitating heavy CCC purchases. Total CCC purchases and availability as of September and compared with a year ago are shown below:

[1,000 pounds, delivery basis]

	Butter		Cheese		NFDM	
	This year	Last year	This year	Last year	This year	Last year
Month of September.....	317	0	2,892	0	38,278	19,345
Apr. 1 to date.....	134,371	384	87,458	10,889	347,012	161,902
Available for programs as of Sept. 30.....	162,245	0	69,682	0	623,897	401,147

CULL DAIRY COW PRICE INCENTIVE TO MILK PRODUCERS

Low cull cow meat prices coupled with favorable milk feed price ratios appear to be the principal factors causing cow numbers to decline more slowly than milk production per cow is increasing.

If the dairymen could receive 30 to 40

cents per pound for his cull cows it is felt he would increase his cull rate and send more cull cows to market.

An incentive program in the form of a direct payment of 10 to 15 cents per pound representing the difference between the market price and a 30 to 40 cents per pound—required to sell—price

could be very effective in reducing total milk production and reducing CCC purchases of dairy products.

Such a program could be administered by USDA through local ASCS committees much the same as the Emergency Feed Grain program.

The objective would be to reduce dairy cow numbers by 500,000 by April 1, 1978. This would have an important and significant effect on total milk supplies during the normally high production months of April, May, and June and for the year 1978.

CRITERIA FOR ELIGIBILITY

Some of the criteria for eligibility of a producer that should be considered to receive an incentive payment are as follows:

First. The producer would supply his local ASCS committee with milk plant receipts, average cow numbers and number of cows sold for beef during calendar year 1977.

Second. He would receive the incentive on those dairy cows that have calved and been sold for beef—sales receipts required—over and above a 2-percent per month—24 percent annual turnover rate—based on previous years, average cow numbers.

Third. No producer could receive an incentive of more than 15 cents per pound on cows sold for beef during the 3-month period or collect on more than 10 cows during the 3-month period.

Fourth. Another possibility would be to offer an incentive on every dairy cow sold for beef of 10 to 15 cents per pound during the period.

COST OF A COW REMOVAL INCENTIVE PROGRAM

During January-August 1977, total net removals by CCC were equivalent to 5.8 billion pounds of milk—fat solids basis—a purchase cost of approximately \$700 million. For the fiscal year 1978 this could amount to approximately \$900 million or more.

If we assume that an additional 500,000 cull dairy cows were removed in the first 3 months of 1977 at a maximum incentive of 15 cents per pound or \$150 per cow, this would cost \$75 million, a small price to pay for the potential removal of 5 billion pounds of milk equivalent—annual basis—having a purchase cost of approximately \$600 million. Even if the remaining cows are fed better, which they probably will be, the relative savings will be great.

CONSEQUENCES OF A NO-ACTION PROGRAM

Unless some action is taken immediately to reduce cow numbers and total milk production the dairy industry and the CCC will find itself in the impossible position of trying to dispose of unneeded supplies of cheese, butter, and powder at very heavy losses to the producer and taxpayer alike. There is tremendous potential savings in energy that could result from not producing, processing, storing, and distributing additional milk for an already overburdened market.

SENATE COMMITTEE MEETINGS

All committees, subcommittees, joint committees, and committees of conference are required to notify the Office of the Senate Daily Digest of the time, place, and purpose of all meetings when scheduled, and any cancellations or changes in meetings as they occur.

The Office of the Senate Daily Digest will periodically submit this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD.

MEETINGS SCHEDULED DECEMBER 16

10:00 a.m.
Banking, Housing, and Urban Affairs
To continue oversight hearings on the New York City Seasonal Financing Act.
5302 Dirksen Building

DECEMBER 19

10:00 a.m.
Select Small Business
Monopoly and Anticompetitive Activities Subcommittee
To hold hearings to examine government agencies' policies on awarding patents to firms that engage in government-financed research.
1318 Dirksen Building

DECEMBER 20

10:00 a.m.
Select Small Business
Monopoly and Anticompetitive Activities Subcommittee
To continue hearings to examine government agencies' policies on awarding patents to firms that engage in government-financed research.
6202 Dirksen Building

Select Small Business
To hold hearings on the problem of agricultural labor certification for nonimmigrant aliens and small growers.
424 Russell Building

Conferees
On H.R. 3454, to designate certain endangered public lands for preservation as wilderness.
S-146, Capitol

DECEMBER 21

10:00 a.m.
Select Small Business
To continue hearings on the problem of agricultural labor certification for nonimmigrant aliens and small growers.
424 Russell Building

Select Small Business
Monopoly and Anticompetitive Activities Subcommittee
To continue hearings to examine government agencies' policies on awarding patents to firms that engage in government-financed research.
1318 Dirksen Building

JANUARY 17

9:00 a.m.
Judiciary
Citizens and Shareholders Rights Subcommittee
To hold hearings on problems associated with the rights and remedies of insurance policyholders, especially on questions of the cost to and coverage for such policyholders.
2228 Dirksen Building

JANUARY 18

9:00 a.m.
Judiciary
Citizens and Shareholders Rights Subcommittee
To continue hearings on problems associated with the rights and remedies of insurance policyholders, especially on

questions of the cost to and coverage for such policyholders.

2228 Dirksen Building

11:00 a.m.

Veterans' Affairs

To receive legislative recommendations of Disabled American Veterans for fiscal year 1978.

1202 Dirksen Building

JANUARY 19

10:00 a.m.

Armed Services

Military Construction and Stockpiles Subcommittee

To hold hearings to investigate potential application of new energy technologies at defense installations.

212 Russell Building

JANUARY 20

8:00 a.m.

Veterans' Affairs

To hold hearings on a National Academy of Science study of health care for American veterans and to receive testimony on the health care planning process.

6202 Dirksen Building

10:00 a.m.

Armed Services

Military Construction and Stockpiles Subcommittee

To continue hearings to investigate potential application of new energy technologies at defense installations.

212 Russell Building

Human Resources

Labor Subcommittee

To consider S. 1883, to strengthen the remedies and expedite procedures under the National Labor Relations Act.

4232 Dirksen Building

JANUARY 24

10:00 a.m.

Rules and Administration

To hold hearings on legislative and administrative business, and to hear arguments by attorneys in the matter of Lester Kinsolving vs. the Standing Committee of Correspondents of the Senate-House Press Galleries regarding the reaccreditation of Mr. Kinsolving.

301 Russell Building

JANUARY 25

9:00 a.m.

Commerce, Science, and Transportation Consumer Subcommittee

To hold hearings on S. 276, to establish a national system to promote the reuse and recycling of beverage containers.

5110 Dirksen Building

10:00 a.m.

Governmental Affairs

Intergovernmental Relations Subcommittee

To hold hearings on urban policy.

3302 Dirksen Building

Judiciary

Consumer Subcommittee

To resume hearings on S. 2300, to extend for five years the U.S. Commission on Civil Rights.

2228 Dirksen Building

Rules and Administration

To continue hearings on legislative and administrative business, and to hear arguments by attorneys in the matter of Lester Kinsolving vs. the Standing Committee of Correspondents of the Senate-House Press Galleries regarding the reaccreditation of Mr. Kinsolving.

301 Russell Building

JANUARY 26

9:00 a.m.

Commerce, Science, and Transportation Consumer Subcommittee

To continue hearings on S. 276, to establish a national system to promote the reuse and recycling of beverage containers.

5110 Dirksen Building

9:30 a.m.

Judiciary

Citizens and Shareholders Rights Subcommittee

To hold hearings jointly with the Administrative Practice and Procedures Subcommittee on S. 2117, to expand the bases upon which the U.S. can be held liable for the conduct of its employees under the Tort Claims Act.

235 Russell Building

10:00 a.m.

Governmental Affairs

Intergovernmental Relations Subcommittee

To continue hearings on urban policy.

3302 Dirksen Building

Judiciary

Constitution Subcommittee

To continue hearings on S. 2300, to extend for five years the U.S. Commission on Civil Rights.

2228 Dirksen Building

Joint Library

To hold hearings on the proposed re-

organization of the Library of Congress.

H-326, Capitol

JANUARY 27

9:00 a.m.

Commerce, Science, and Transportation Consumer Subcommittee

To continue hearings on S. 276, to establish a national system to promote the reuse and recycling of beverage containers.

5110 Dirksen Building

10:00 a.m.

Governmental Affairs

Intergovernmental Relations Subcommittee

To continue hearings on urban policy.

3302 Dirksen Building

JANUARY 30

10:00 a.m.

Governmental Affairs

To hold hearings on S. 2236, to strengthen Federal programs and policies for combating international and domestic terrorism.

3302 Dirksen Building

JANUARY 31

10:00 a.m.

Governmental Affairs

To continue hearings on S. 2236, to

strengthen Federal programs and policies for combating international and domestic terrorism.

3302 Dirksen Building

Select Intelligence

Secrecy and Disclosure Subcommittee

To hold hearings to receive testimony on secrecy and disclosure of classified documents within the Federal Government.

235 Russell Building

FEBRUARY 1

10:00 a.m.

Select Intelligence

Secrecy and Disclosure Subcommittee

To continue hearings to receive testimony on secrecy and disclosure of classified documents within the Federal Government.

235 Russell Building

FEBRUARY 2

10:00 a.m.

Select Intelligence

Secrecy and Disclosure Subcommittee

To continue hearings to receive testimony on secrecy and disclosure of classified documents within the Federal Government.

235 Russell Building

